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**China-U.S. Nuclear Relations:
What Relationship Best Serves
U.S. Interests?**

Brad Roberts

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BACKGROUND: The Defense Threat Reduction Agency (DTRA) was founded in 1998 to integrate and focus the capabilities of the Department of Defense (DoD) that address the weapons of mass destruction threat. To assist the Agency in its primary mission, the Advanced Systems and Concepts Office (ASCO) develops and maintains an evolving analytical vision of necessary and sufficient capabilities to protect United States and Allied forces and citizens from WMD attack. ASCO is also charged by DoD and by the U.S. Government generally to identify gaps in these capabilities and initiate programs to fill them. It also provides support to the Threat Reduction Advisory Committee (TRAC), and its Panels, with timely, high quality research.

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PREFACE

Since the formation of the Defense Threat Reduction Agency in 1998, IDA has provided analytical support through the Agency's Advanced Systems and Concepts Office (ASCO). In fiscal year 2001, the ASCO commissioned a study from IDA on strategic stability in East Asia. Its purposes are to examine long-term nuclear risks in Asia and to pose the strategic question embodied in DTRA's charter: what can be done to reduce those risks and potential threats? IDA also was asked specifically to examine how an understanding of these questions might inform the thinking of the new Administration as it moves to implement its commitment to ballistic missile defense (BMD) and reductions in the nuclear arsenal, and as it considers possible changes in arms control strategy.

This Northeast Asia stability study has resulted in three IDA papers:

“Northeast Asian Strategic Security Environment Study,
Katy Oh Hassig.

“China-U.S. Nuclear Relations: What Relationship Best Serves U.S. Interests?”
Brad Roberts.

“East Asia's Nuclear Future: A Long-Term View of Threat Reduction,”
Brad Roberts.

This document is item two on that list.

In preparing this paper, the author has benefited from extensive interaction with analysts in the United States as well as China. Some of the argumentation here was developed in parallel with a symposium at IDA on a possible Taiwan confrontation under the nuclear shadow. Some of the supporting materials, including primarily the Appendix on China's responses to BMD, were developed separately from the DTRA-funded project but are included here as useful context.

The author is grateful to many individuals who contributed to the ideas reflected here. These include his colleagues in a prior study on *China, Nuclear Weapons, and Arms Control* (published in 2000 under the auspices of the Council on Foreign Relations) and in the Council for Security Cooperation in the Asia Pacific (CSCAP). Valuable comments on earlier drafts of this paper were provided by Ralph Cossa of Pacific Forum/CSIS, Michael McDevitt of the Center for Naval Analyses Corporation, Leon Sloss, a consultant on nuclear affairs, and the author's IDA colleagues Virginia Moncken, Katy Oh Hassig, Victor Utgoff, and Larry Welch. The author assumes full responsibility for the final contents of this essay and the arguments presented here.

FOREWORD

The end of the Cold War brought with it a dramatic drop in the level of interest in the United States in the requirements of nuclear stability and security. But our experiences following the Cold War provide convincing evidence that the need is to sustain an effective nuclear deterrent in a more complex security environment. Hence, new and more profound investigation is needed to ensure that our planning and policies serve us as well in the future as they have in the past. Filling that need demands that policymakers and experts rekindle an intellectually wide-ranging investigation of the kind that characterized the beginning of the nuclear era 50 years ago.

This paper on China-U.S. nuclear relations has been prepared to help put China more adequately into America's nuclear picture. We will need to understand China's nuclear modernization effort to inform choices on ballistic missile defense, nuclear reductions, and arms control that will promote the desired stability and security. We need to understand the potential for U.S.-China confrontation over Taiwan, under a nuclear shadow, to define the requirements of the deterrence posture. We need also a better notion of how China fits into the global nuclear equation to craft and implement strategies to reduce short-term nuclear threats and long-term risks.

The author undertakes a comprehensive review of the challenges in the China-U.S. nuclear relationship. The purpose is to help with the process of defining American interests in the bilateral nuclear relationship and of identifying strategy choices that help secure those interests.

There will be inevitable differences in views on approaches and prescriptions. There should be no difference in view on the need to base approaches and prescriptions on in-depth investigation.

General Larry D. Welch, USAF (ret.)
President, IDA

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EXECUTIVE SUMMARY

The China-U.S. nuclear relationship has received a good deal less attention in the United States than the U.S.-Russian and U.S.-“rogue” relationships. But coming to terms with that relationship is essential in the debate over how to construct a new deterrence framework that meets the requirements of security and stability in the post-Cold War era, given the potential for developments in that relationship with wide-ranging repercussions. China clearly knows what it wants in its nuclear relationship with the United States—some mutual vulnerability so that it is not again subject to what it considers nuclear blackmail, especially over Taiwan. Arguing from first principles rather than expedients of cost or political constraints, what type of relationship best serves the interests of the United States? What are those interests?

From a strategic nuclear perspective, the type of relationship the best serves U.S. interests is arguably the one it has had for decades—one-sided dominance by the United States as defined in terms of its ability to preemptively eliminate China’s strategic force and an ability to dominate any level of escalation in any potential conflict. But China is working very hard to take this option off the table. The common view that China is simply modernizing its strategic forces for the sake of having more reliable and sophisticated systems misses the fact that China is modernizing those forces in order to gain a secure second-strike capability that it has never enjoyed. It will modernize its forces so as to overcome any bar that America sets. What bar should it try to set?

In responding to China’s effort to modernize to gain a secure second-strike capability, Washington has three basic options:

1. To trump PRC modernization with a defense large and capable enough to defeat the emerging PRC force.
2. To tolerate mutual vulnerability as an enduring principle in U.S.-PRC nuclear relations.
3. To hedge. This choice would embody a commitment in principle to tolerate the Chinese build-up without structuring BMD so as to respond to it, while establishing also that BMD could be reoriented to deal with the Chinese force at some future time—as determined by China’s behaviors, not Washington’s.

Historical Context

As policymakers in Washington and Beijing make choices about the future of the nuclear relationship, it is clear that the past continues to have an important impact. Indeed, the fact that perceptions of this history differ so markedly is an important theme. Experts in China recall a history of U.S. nuclear blackmail and a slow but steady progress in bringing a credible deterrent posture into being. Experts in the United States seem barely to recall this history at all, recalling China as little more than a footnote in the history of the nuclear era. This leads to very different views of the strategic balance between the two, the principles of nuclear strategy, and the constraints on future developments. Chinese experts and policymakers are simply incredulous when U.S. policymakers assert that “BMD is not about China” and “missile defenses are not provocative” and “we do not believe that deployment of limited missile defenses should compel China to increase the pace and scale of its already ambitious effort to modernize its strategic nuclear forces.” Chinese reactions to BMD will be defined by the specific operational requirements it imposes on the creation of a credible deterrent and thus BMD is certain to have a direct impact on PRC strategic modernization. They will also be defined by the political requirements following from the intentions Beijing will impute to Washington’s choice, requirements in the foreign policy realm more generally.

This points to the urgent need to choose how to respond to Beijing’s responses to BMD. Should Washington trump, tolerate, or hedge? To find insights into these questions, this paper examines four topical areas:

- the potential role of nuclear weapons in a Taiwan confrontation
- the connections between the nuclear relationship and the political relationship
- the interests of U.S. friends and allies
- U.S. interests in major power nuclear relations generally.

Nuclear Weapons in a Taiwan Confrontation

Three quite different views of the potential role of nuclear weapons in a U.S.-PRC-Taiwan confrontation have taken hold. One is that nuclear weapons would be largely if not completely irrelevant to such a confrontation. The second is that nuclear weapons would be relevant and U.S. deterrence would work. The third is that nuclear weapons would be central, but U.S. deterrence cannot work.

Drawing on a detailed examination of the potential rungs of the escalation ladder and the manner in which each side might attempt to manipulate perceptions of the shared risk of nuclear war, this paper argues as follows.

First, nuclear weapons are very unlikely to be irrelevant to confrontation over Taiwan. All three parties are apparently concerned with casting the nuclear shadow—and with how others will do so.

Two, there is a lot of truth in the view that nuclear deterrence would work, in the sense that many U.S. advantages would be likely to constrain PRC behavior in many ways. But escalation dominance does not translate readily into escalation control and casting the nuclear shadow back over the low end in the conflict --in its early phases --would be difficult for Washington.

Three, it certainly also seems to be the case that nuclear deterrence would be unreliable. Given the asymmetry of stake and willingness to bear costs, U.S. nuclear threats may simply lack credibility in many phases of such a war.

Fourth, ballistic missile defenses would shift the calculus of deterrence in ways favorable to the United States and Taiwan. But they cannot be considered a panacea.

Fifth, the potential instabilities in such a contingency are numerous. One especially important one is the perception that America's risks would remain asymmetrically less compelling than China's if and as the war begins to invoke questions of nuclear use.

Sixth, timing matters. In today's world, the burden of escalation would be on China. The burden tomorrow may shift to the United States if it does not continue the necessary conventional arms sales to Taiwan and further BMD deployments. But also over the longer term the costs to Beijing of using military force are certain to rise.

The Nuclear Relationship and the Political Relationship

If the United States has an interest in ensuring stability and security across the Taiwan strait, it also has an interest in leading the development of the political relationship between China and the United States in desirable directions, an interest certain to be influenced by developments in the nuclear realm. America has fallen into a false debate between partnership and competition with China, as these are inevitably two sides of the same coin. Historical analogies are sometimes used to break out of this debate, but these too are misleading, because the China of today is neither the Germany of Bismarck's time nor the Soviet Union of Stalin's. The absence of agreement about

what political relationship with China best serves U.S. interests substantially detracts from the ability to determine what nuclear relationship with it best serves U.S. interests.

China's view of the necessary nuclear relationship is driven by a relatively clear view of the necessary political relationship. It wants cooperation with America but also freedom from American coercion. It wants the security benefits of a benign American presence in East Asia, but not continued or stronger American involvement in the defense of Taiwan, in what it considers a vital national interest--sovereignty. And it does not want to be the victim of a campaign of encirclement and containment led by Washington. China looks to America's BMD choices for insights into its central strategic question about America: as China rises and reemerges, will America want to cooperate with it on common interests, or to contain and confront it?

In the U.S.-Russian relationship, the argument is now made that America and Russia cannot have the desired political relationship without moving away from a strategic relationship based on a nuclear balance of terror. In the U.S.-Chinese relationship, this core proposition may be just the reverse. America cannot have the desired political relationship with China without acquiescing to its effort to gain a secure second-strike capability. That desired political relationship is one that permits the maximum amount of cooperation on common interests in the economic, political, and security realm. It is effectively ruled out if the U.S. chooses to trump China's deterrent because of how Beijing would interpret it—as a sign of looming confrontation.

U.S. Friends and Allies

U.S. allies in East Asia (Japan, South Korea, the Philippines, Thailand, and, by a loose definition of the region, Australia) have been more directly involved in the debate over ballistic missile defenses that would protect them and U.S. forces deployed in their territories or nearby than in the debate about protection of the U.S. homeland (the latter, the focus of this paper). They have been and remain ambivalent, especially on the latter topic. While supporting Washington in principle, many are concerned that Washington is either focused on the wrong problem or is mismanaging its relationship with China in a way that causes problems for them. America's allies in East Asia prefer a bilateral U.S.-PRC relationship that is neither too warm nor too cold but just right—think of this as the Goldilocks rule of East Asian stability. To the extent that Washington's pursuit of BMD is perceived as a violation of this rule, by souring U.S.-Chinese relations and signaling a U.S. effort to recruit partners for Chinese containment, their political support for BMD seems likely to wane.

Major Power Nuclear Relations Generally

Decision-makers in Washington have so far been looking at the pieces of the nuclear puzzle, with their focus on the nuclear relationship between the United States and Russia and now the United States and China—but what about the puzzle as a whole? How might a view of the nature and requirements of the present nuclear peace among the major powers generally inform questions about the specific U.S.-PRC dimension?

So far at least, some very different notions of America's role in shaping this nuclear peace have begun to take shape. These include a beleaguered America seeking security against increasingly powerful challengers, a benign hegemon extending security to all, an America in pursuit of Absolute Security at the expense of others, and an America as first among equals that must cooperate if it is to act without generating counter-balancers among the major (and other) powers. Each view leads to a certain conclusion about how to treat China.

The Bush administration has signaled its commitment to design a strategy for stability, a strategy based on the principles of cooperation with others and the advance of common interests—something fairly close to the benign hegemon vision above. The core question is whether China will be treated as odd man out in this effort. There is a good argument that it should be, given its communist, authoritarian character and the apparently real possibility of war over Taiwan. But there is also a good argument that it should not be, given the repercussions of Chinese dissatisfaction in major power relations and the Asian security situation more generally.

Conclusions

Of the three choices before Washington, all have potential benefits, costs, and risks.

Seeking to trump China's effort to secure its second-strike force would provide the benefits of protecting the U.S. population in the event of Chinese nuclear attack and enhancing U.S. flexibility in a Taiwan contingency. But it would likely come at the cost of substantially diminishing China's willingness to cooperate where mutual interests might otherwise suggest cooperation, while also promoting further counter-balance of the U.S. role through closer Sino-Russian strategic collaboration, including perhaps with the rogues. Such a choice would also raise questions for U.S. allies about Washington's ability and willingness to shape the region in ways favorable to their interests, while alerting Moscow to the possibility that a thicker U.S. defense is coming. The principal risk is that Washington will pay all these costs before it receives the benefits, as the

technology to match Chinese modernization will be many years in coming. There is also a risk that Beijing may deem it necessary to make a military move against Taiwan before its leverage wanes.

A choice to tolerate China's effort, by not reorienting the limited defense toward China's force as it modernizes, would also provide a number of benefits. These include enhancing Beijing's willingness to cooperate, weakening the Sino-Russian "axis," and reducing defense investment costs. The costs would likely include some loss of leverage in a Taiwan contingency, increased vulnerability for the American public to Chinese missile attack, and vulnerability to the political charge that Washington has appeased a rising power. The principal risk would be that Taiwan might conclude that this situation does not meet its needs.

Hedging seems to promise the benefits of the "tolerate" option while avoiding the costs and risks of "trump." It would increase the prospects for cooperating in the political realm while minimizing impacts on the Sino-Russian relationship, while also reassuring U.S. allies and others among China's neighbors that a chilling of Sino-U.S. relations is not in the offing. There is potentially a large cost—that the United States loses its head-start in a "race" to gain defense dominance if that later proves necessary. The primary risk with such a strategy is that Beijing would interpret hedge as trump—as a deception aimed to cover the effort to regain strategic dominance through the open-ended BMD effort. Persuading China that the hedge strategy is not a secret cover for the trump would seem to require some restraint by the United States, in the form of some abandonment of the open-ended strategy, and some expression of this restraint in a political agreement. But it is not clear that either restraint vis-à-vis China's strategic modernization or an arms control process with Beijing are seen in Washington at this time as part of an overall strategy to persuade Beijing that the ball is in its court.

A. INTRODUCTION

What nuclear relationship with China best serves U.S. interests? Systematic examination of this question in the United States has been strikingly rare at a time of considerable emphasis on the U.S. nuclear relationships with Russia and the “rogues.” In the executive and legislative branches today, there appears to be a general consensus that American interests are well served by preventing the emergence of mutual vulnerability with the nuclear and missile-armed “rogues” and by moving away from the “enemy syndrome” in its political relations with Moscow through a jettisoning of Cold War-vintage nuclear strategies.¹

Whereas experts in Washington appear to have devoted only modest attention to the question of what nuclear relationship with China best serves U.S. interests, Chinese experts have devoted a good deal of attention to the question of what type of relationship best serves Chinese interests. China’s energetic objections to ballistic missile defense are well known. It seems to know clearly what it wants in its nuclear relationship with the United States—some limited mutual ability to coerce, rather than one-sided advantages for the United States. Its clarity on this point also appears to reflect clarity about what it wants in the political relationship—respect for Beijing considers its vital interests, especially but not exclusively in the long struggle over Taiwan.

As the U.S. government begins to make detailed decisions about the ballistic missile defense (BMD) architectures it intends to pursue, the capabilities of U.S. nuclear forces that it wishes to retain as it reduces the overall size of the force, and the scope and content of an arms control strategy, it is important that considerations include a sound answer to the question of how China fits into the American nuclear future. Indeed, there are a number of basic questions requiring greater insight. In what circumstances, if any, might China and the United States find themselves in nuclear confrontation, and with what implications for U.S. nuclear requirements? What should the United States want—or can it have—in the political relationship, and how might choices in the offense/defense realm shape that relationship? Should the United States accept China’s response to BMD—or counter it?

This paper seeks to provide a framework for the systematic exploration of these questions. It begins with a review of the history of the China-U.S. nuclear relationship.

¹ The depth of that consensus is of course much debated, as is the actual viability of devaluing the currency of nuclear weapons as has been proposed. But these questions are beyond the scope of this analysis.

This review highlights the different perceptions of that history that inform quite different perceptions in the United States and China about the nuclear present and future. The effort to interpret Chinese perceptions should not be confused with concurrence with them. But having some understanding of them is essential to the formulation of U.S. policy that elicits desired responses. The striking asymmetry of views of the key features of the nuclear relationship is a central conclusion of this work.

With this historical review as context, the paper then goes on to explore different facets of the U.S.-PRC nuclear problem for insights into the basic question. Four main questions are explored:

1. What role might nuclear weapons play in a confrontation over Taiwan?
2. How should Washington's desire to promote the optimal political relationship with Beijing inform its choices in the nuclear offense/defense realm?
3. How can the perspectives of U.S. friends and allies inform U.S. thinking?
4. How might a view of the nature of the nuclear peace among the major powers generally inform questions about the specific U.S.-PRC bilateral aspect?

On each of these questions, there is a spectrum of opinion within the United States; indeed, some of it is stridently polarized. Accordingly, this paper seeks to map out the differences of perspective and their implications with the hope that such a picture can inform the debate about policy choices. In the conclusions, the paper reviews basic U.S. policy options and identifies the implications of each by elaborating their potential benefits, costs, and risks. The choices seem straightforward:

1. Should the United States seek to negate China's deterrent, by posturing U.S. ballistic missile defense in a way that does so?
2. Or should it tolerate China's move to create a secure second-strike force, by not posturing the defense to negate the emerging PRC force?
3. Or should it hedge against future developments in China's force, by tolerating China's move but only under certain conditions?

The purpose of this systematic analysis is to identify benefits, costs, and risks associated with these three choices as a way to help frame the debate about what strategic offense/defense relationship best serves the United States. In taking a comprehensive approach to the topic and in mapping out the different perspectives that inform thinking on this question, the paper seeks answers based on first principles.

There are some "answers" in the current debate that are argued from expedience instead. For example, the argument has been made that the United States should not seek

to negate China's deterrent with its BMD because...“it would cost too much” or “the technical challenges are daunting” or “doing so would antagonize Beijing.” The purpose here is to argue on the basis of U.S. interests rather than policy expedience. Do America's interests (and those of its friends and allies) require that it pay those costs and run certain risks to construct a defense-dominant strategic relationship? Or do our interests point us in a different direction?

B. NUCLEAR HISTORY AS CONTEXT

For most American students of nuclear history, China is a footnote.² The intense nuclear competition between the United States and Soviet Union logically enough tended to crowd out many other important features of the nuclear era. Conventional American wisdom has it that China is a nuclear power of very modest proportions that has been little interested in developing the type of nuclear posture sufficient for competing as a major nuclear actor. Some Americans vaguely recall that Washington made nuclear threats against China during the Korean war, and that a senior Chinese official expressed what could be interpreted as a nuclear threat about exchanging Los Angeles for Taipei during the missile saber rattling across the Taiwan strait in the mid-1990s (see more below).

For Chinese students of nuclear history, the details in the nuclear relationship with the United States are much more vivid. They recall U.S. nuclear threats against the PRC in very early confrontations with Washington over Taiwan, then in the context of President Truman's threats over Korea, and then further U.S. threats during the confrontation over Quemoy and Matsu. This is the blackmail of which Mao spoke when announcing China's nuclear weapons program. Chinese experts also recall the deployment of U.S. nuclear attack capabilities against China at that time and the steady improvement of those capabilities even before China exploded its first bomb in 1964. This was in fact decades before China acquired the ability to strike targets in the United States with nuclear weapons (with deployment of the DF-5 intercontinental missile in 1981). They also recall debates in the 1960s in the United States, largely forgotten here, about preemptive attack on China's nascent nuclear capabilities and about a ballistic missile defense against them (Sentinel).

² These observations have been collected over three years of personal experience in interacting with experts in both the United States and China on China's nuclear posture and strategy.

A brief summary of key episodes in the unfolding nuclear history between the two encompasses the following:³

1940s: In 1949, the People's Republic of China was proclaimed the government of China by Mao and his victorious forces in Beijing.

1950s: In early 1950, Beijing prepared an invasion of Taiwan to capture the residual elements of the government of the defeated Republic of China, which it then aborted in part because of a decision by Washington to support the ROC by military and other means. When China entered the Korean war, President Harry Truman made remarks implying possible nuclear attack on China. In 1955, the United States made nuclear threats over Quemoy and Matsu. Also in 1955, President Dwight Eisenhower made a televised statement confirming a willingness to use all available means to respond to military action against Taiwan. In 1954-55, Mao initiated the program to build nuclear weapons and in 1956, a program to build ballistic missiles. He sought Soviet assistance and Moscow promised scientific and technical support, as well as blueprints and a prototype device.

1960s: Washington and Moscow came to terms on a Partial Test Ban Treaty and Soviet assistance to China was terminated, transforming PRC-USSR relations. President John F. Kennedy, intensely interested in China's nuclear ambitions, was reported as actively considering preemption, possibly in partnership with either the ROC or the USSR.⁴ The U.S. forward deployed nuclear bombers in the Western Pacific and then Polaris submarines. The Single Integrated Operational Plan [for nuclear war] (SIOP) was created with China as an integral aspect. China exploded its nuclear device in 1964, and

³ Information in this summary is drawn from John Wilson Lewis and Xue Litai, *China Builds the Bomb* (Stanford, Calif.: Stanford University Press, 1988); Michael O. Wheeler, *Nuclear Weapons and the Korean War, Occasional Paper No. 1* (McLean, Va.: SAIC Center for National Security Negotiations, 1994); Hans M. Kristensen, "The Elusive Foe: China in U.S. Nuclear War Planning," a working paper of the Nautilus Institute of Berkeley, Calif. (April 2001); Desmond Ball, "The Development of the SIOP, 1960-1983," in Ball and Richelson, eds., *Strategic Nuclear Targeting* (New York: Cornell University Press, 1986); Stephen I. Schwartz, ed., *Atomic Audit* (Washington, D.C.: Brookings, 1998); Jonathan Pollack, "The Future of China's Nuclear Weapons Policy," in John C. Hopkins and Weixing Hu, eds., *Strategic Views from the Second Tier: The Nuclear Weapons Policies of France, Britain, and China* (La Jolla, Calif.: University of California Institute on Global Conflict and Cooperation, 1994); Li Bin, "The Effects of NMD on Chinese Strategy," *Jane's Intelligence Review*, March 7, 2001; Li Bin, "The Impact of U.S. NMD on Chinese Nuclear Modernization," *Pugwash Newsletter*, Vol. 38, No. 1 (June 2001); and Li Bin, "China's Nuclear Disarmament Policy," in Harold E. Feiveson, ed., *The Nuclear Turning Point* (Washington, D.C.: Brookings, 1999).

⁴ William Burr and Jeffrey T. Richelson, "Whether to 'Strangle the Baby in the Cradle:' The United States and the Chinese Nuclear Program, 1960-64, *International Security*, Vol. 25, No. 3 (Winter 2000/01), pp. 54-99.

was then the quickest of the five original nuclear weapon states to move from its first fission to its first fusion explosion. China created the 2nd Artillery and constructed a large infrastructure for warhead and missile production. It embraced a doctrine of no-first-use. China was subjected to Soviet nuclear threats in 1964 and 1969. President Lyndon Johnson decided to deploy the Sentinel ballistic missile defense system as a response to the Chinese threat, a step subsequently abandoned by the Nixon administration.⁵ China initiated its own research and development program on missile defenses in response to BMD capabilities under development in the United States and Soviet Union.

1970s: The United States modernized its nuclear strategy with the Nuclear Weapons Employment Plan (NUWEP), which led to the creation of a reserve strategic force aimed in part at deterring Chinese exploitation of a U.S.-USSR nuclear exchange. China deployed missiles capable of reaching U.S. bases in the region and other targets, including the capitals of U.S. allies. It also deployed missiles capable of reaching Moscow, and it undertook a substantial investment in ballistic missile defenses of its own. China's commitment to an aggressive strategy of concealment and deception began to take shape as capabilities were dispersed and hidden underground. U.S. intelligence collection remained heavily focused on the USSR.

1980s: In conjunction with U.S.-PRC rapprochement in the wake of the Soviet invasion of Afghanistan, the SIOP downplayed the potential for nuclear war between China and the United States. Ironically this development occurred just as China began deployment of missiles capable of reaching targets in CONUS. China's missile modernization program began to produce follow-on systems to initial capabilities. President Ronald Reagan's March 1983 "Star Wars" speech was followed by increased investments in China on capabilities to penetrate ballistic missile defenses. As China began to open up, some limited public discussion of China's nuclear strategy, doctrine, and posture became possible and evident in Chinese scholarly and military literature.⁶

1990s: Some limited reconciliation between North and South Korea made possible a joint agreement to denuclearize the Korea peninsula, as subsequently pursued in the context of U.S.-Soviet Presidential Nuclear Initiatives, substantially reducing the risks of nuclear confrontation there between China and the United States. The Persian Gulf War rang a loud alarm bell for Beijing—suggesting possibly successful U.S.

⁵ Michael O. Wheeler, "The American Approach to Ballistic Missile Defense," paper prepared for Tenth International Arms Control Conference, Sandia National Laboratories, Albuquerque, N.M., April 2000.

⁶ Alastair Iain Johnston, "China's New 'Old Thinking': The Concept of Limited Deterrence," *International Security*, Vol. 20, No. 3 (Winter 1995/96).

preemption of China's strategic forces by conventional as opposed to nuclear means. America's failure to destroy Iraqi mobile SCUDs reinforced Beijing's commitment to early deployment of its own solid-fueled, road-mobile ICBMs (first tested late in the decade). China signed the Comprehensive Test Ban Treaty, thereby making some nuclear developments more difficult, including movement to MIRVd systems. In conjunction with heightened tensions over the Taiwan straits in 1995/96, a senior Chinese official stated to a former U.S. official that the United States would have to consider trading Los Angeles for Taipei in a future U.S.-PRC confrontation over Taiwan, a statement that is remembered differently by different people.⁷ Allegations emerged of Chinese espionage in the U.S. nuclear establishment, as explored by the U.S. Congress.⁸ The United States and China agreed not to target each other on a day-to-day basis. Later public reports indicate that the SIOP was being modified to improve U.S. limited nuclear attack options on China.⁹ China conducted its first exercise of mobile forces operating counterattack while under nuclear attack.

The present: Beijing and Washington seem to hold rather different views of the present nuclear relationship. Four such differences stand out.

- On nuclear world views: U.S. observers tend to assume that the United States is the focal point of PRC nuclear concerns. For PRC observers, the U.S. strategic relationship is indeed central—but it is also but one facet of a complex and

⁷ Some recall it as a direct and explicit threat aimed at dissuading and deterring U.S. efforts to protect Taiwan. Others recall it as an observation rather than a threat—including former Ambassador Chas Freeman, the person to whom the statement was made. According to Freeman, the statement came in the midst of a private five-hour discussion in October 1995 over whether the Chinese military maneuvers in the Taiwan strait then just authorized by the Central Military Commission would elicit an American military reaction. Conjecturing on the impact of possible U.S. military intervention, one of the Chinese participants asserted that the United States would not enjoy the strategic leverage it had in the 1950s when it first made nuclear threats in defense of Taiwan, on the argument that China's intercontinental capabilities give it the possibility to strike back. "In the end you care more about Los Angeles than you do about Taipei." See remarks by Freeman, "Did China Threaten to Bomb Los Angeles," to the Carnegie Endowment for International Peace, March 22, 2001, as posted at www.ceip.org/npp.

⁸ The House Select Committee on U.S. National Security and Military/Commercial Concerns With the People's Republic of China ("the Cox Committee") issued a classified report on January 3, 1999, and a declassified version on May 25. For a detailed critique of the Cox report, see M.M. May, ed., *The Cox Committee Report: An Assessment* (Stanford, Calif.: Center for International Security and Cooperation, Stanford University, December 1999). See also a reply by Nicholas Rostow, staff director, U.S. Senate Select Committee on Intelligence, "The 'Panofsky' Critique and the Cox Committee Report: 50 Factual Errors in the Four Essays" (undated).

⁹ Hans M. Kristensen, *The Matrix of Deterrence: U.S. Strategic Command Force Structure Studies* (Berkeley, Calif.: Nautilus Institute, 2001). This study draws on documents released under Freedom of Information Act requests to chronicle how U.S. planning for and thinking about nuclear war evolved during the 1990s.

rapidly evolving nuclear environment surrounding China. China's nuclear relations with Russia and India both have entered volatile periods.¹⁰

- On the strategic balance: U.S. observers tend to believe that the United States enjoys an ability to preemptively eliminate China's nuclear forces in time of crisis by either nuclear or conventional means—and that China accepts this situation. For PRC observers, China has been working slowly but steadily for decades to transition to a credible deterrent.¹¹ Moreover, Chinese experts tend to believe that the United States will not have the targeting intelligence sufficient to eliminate with high confidence all of the systems capable of retaliating against America (by implication, then, Chinese observers apparently believe that China can currently strike the United States with more than the 20 or so missiles based in silos).
- On nuclear strategy: U.S. observers tend to believe that China is content with nuclear minimalism. As the Cox Committee report indicates, however, there is also a countercurrent in American thinking—that China is poised to become a peer competitor power. For PRC observers, the first principle of China's nuclear strategy is not minimalism, but sufficiency. In the past, modest capabilities were sufficient to China's needs. Today, there is a wide-ranging debate in Chinese expert circles about the role of nuclear weapons in Chinese security policy and strategy, a debate made possible in part by the opening up of China after Mao. That debate tends to focus on how to use nuclear weapons in a confrontation over Taiwan, given what many Chinese fear is a U.S. willingness to exploit U.S. strategic advantages at China's expense there.¹²
- On constraints on China's nuclear future: U.S. observers tend to believe that China is too poor to be a substantially more robust nuclear competitor to the United States. Chinese observers emphasize that China is rapidly growing more wealthy (the value of its GDP having quadrupled in less than two decades), and that many of the infrastructure costs associated with production of a large nuclear missile force are in fact sunk costs.

These asymmetric views of the past and present of the bilateral nuclear relationship are projected also into the future. China perceives the advent of U.S. ballistic missile defenses with great alarm. Washington seems not quite sure what all the fuss is about.

The Appendix to this paper provides a detailed summary of China's views on BMD. Among its conclusions are the following. China's concerns about BMD can be

¹⁰ See "China's Nuclear Posture," in Robert A. Manning, Ronald Montaperto, and Brad Roberts, *China, Nuclear Weapons, and Arms Control: A Preliminary Assessment* (New York: Council on Foreign Relations, 2000).

¹¹ Bates Gill, James Mulvenon, and Mark Stokes, *The Chinese Second Artillery: Transition to Credible Deterrence* (undated draft monograph).

¹² Johnston, "China's New 'Old Thinking'" and "Prospects for Chinese Nuclear Force Modernization: Limited Deterrence Versus Multilateral Arms Control," *The China Quarterly* (June 1996), pp. 548-576.

traced only in part to its long-standing strategic modernization program. To be sure, the challenge to modernization is an important one: China believes that BMD will deprive it of decades worth of investment and work to create a viable strategic deterrent. But there are other sources of Chinese concern. One, BMD seems to confirm a Chinese fear that Washington is bent on denying a rising China its rightful place in the international order through a strategy of encirclement and containment, while Washington pursues its own variant of the Brezhnev doctrine by using force to spread democracy. Two, BMD presents the potential of fueling Taiwanese independence by freeing it to break away in the context of a deepening defense relationship with the United States—thus bringing military confrontation with the United States. Three, a major leadership transition will take place in China in October 2002, bringing with it questions of reputation for both the passing and the new generation of leaders, reputations tied directly to how to deal with both the Taiwan issue and the “rogue hegemon.”

Thus, Chinese observers are incredulous when they hear American officials state that:

- “BMD is not about China.”
- “Missile defenses are not provocative.”
- “We do not believe that deployment of limited missile defenses should compel China to increase the pace and scale of its already ambitious effort to modernize its strategic nuclear forces.”¹³

From a Chinese perspective, BMD must be about China. Indeed, many Chinese experts hold to the view that it cannot be about anyone else. After all (as they see it), they are the one rising power capable of challenging U.S. interests both regionally and globally, a position to which no rogue can aspire (one senior Chinese official has declared that the rogues are “an almost absurd pretext.”).¹⁴ Even those Chinese experts who are prepared to accept that it is not Washington’s intent to construct a defense against Chinese missiles observe that the capability will be there whatever the intent, assuming the United States proceeds with a defense oriented at defeating modest numbers of missiles coming from Asia. Thus, BMD is about China, even if it isn’t.

Again from a Chinese perspective, missile defenses are provocative. They could reinforce Taipei’s apparent drift to independence. They could deepen and extend U.S.

¹³ White House papers on ballistic missile defense as briefed to the media July 11, 2001.

¹⁴ As quoted in John Leicester, “Official: US missile shield could force China to deploy more warheads,” Associated Press, May 11, 2000.

military engagement in East Asia. They could draw U.S. allies into an anti-China coalition aimed at containing its rise. They could embolden America to pursue a Brezhnev doctrine at China's expense in Tibet and elsewhere. They could negate decades of investment in an effective strategic deterrent at a moment when losing face to the United States is intolerable, politically, for the regime. And they could promise to make America less restrained, even less careful in its use of force; as one observer put it... "the U.S. might become less cautious in any crisis" with BMD in its toolkit.¹⁵

Accordingly, modernization of the strategic force seems certain to proceed on a pace and scale that ensures that China gains the now-missing credible second-strike capability. China will not simply modernize for the sake of having more modern and technologically sophisticated systems. It will modernize to gain new operational capabilities. It will define the parameters of the necessary future force specifically to overcome whatever bar the United States sets with the defense it constructs. A thin defense seems likely to generate at most modest incremental improvements in China's forces, largely in the number of deliverable warheads. A thicker defense would likely generate more substantial improvements, perhaps not just in numbers of warheads but also in increased reliance on a modern thermonuclear MIRV-able warhead. A thick defense of multiple layers, admittedly years if not decades away, would likely generate fundamental adjustments in the Chinese strategic posture, with new types of forces and adjustments in strategy, perhaps projecting nuclear attack against the defense infrastructure itself, including components in space. If the United States moves quickly, China will "race;" if it moves slowly, China will "jog." And of course it is already sprinting to a very substantial deployment of nuclear-capable missiles opposite Taiwan.¹⁶

On the quantitative dimension alone, Chinese experts describe a national commitment to restore the status quo ante—to create a situation such that China can credibly deliver 20 or so warheads onto targets in the United States through whatever defense the United States deploys, on the argument that today China has 20 or so deliverable warheads. Of course, this number of 20 deliverable warheads assumes Chinese first-use, a possibility they have steadfastly foresworn. If only in retaliatory mode, following a U.S. preemptive attack, the number of deliverable warheads would be far smaller—perhaps only one or two, if any at all. The number 20 also assumes that the silo-based force as presently configured is the entirety of China's nuclear threat to

¹⁵ Li Bin, "The Impact of U.S. NMD on Chinese Nuclear Modernization."

¹⁶ For a detailed Chinese scholarly assessment of China's options vis-à-vis U.S. BMD, see *ibid.*

America; given the decades-long concealment and deception effort, there may be some reason to be skeptical here.

Regardless, there is arguably reason to be skeptical that China can cleanly restore the status quo ante with a build-up in its offensive forces. With a very low leakage U.S. BMD in place, as could be the case with a layered defense, China would have to fire enough missiles to exhaust the supply of U.S. interceptors—presumably something it could only do in first-use. Moreover, its moment of leverage could be very short-lived, if the United States has some capacity to re-load its interceptors and China has no re-loads. As China works through the specific war-fighting issues associated with emerging U.S. defense architectures, it may well conclude that reliable restoration of the status quo ante requires a very large force expansion. And, China's reposturing of its strategic force in survivable mobile systems capable of quick operation in crisis will be seen as a very important improvement.

But for the sake of argument here, let us simply posit that China is going to modernize its strategic forces so as to be capable of inflicting nuclear damage on the United States despite any possible U.S. preemption or U.S. BMD—thus, not modernization for modernization's sake, but modernization to create a specific nuclear relationship, summarized here simply as a secure second-strike force. This means not simply the deployment of more and more modern intercontinental capabilities, but the deployment of new systems that bring more American targets within reach and that will transform the nuclear relationship between the two countries into a form that has not previously existed, one based on mutual vulnerability given the absence of a credible U.S. preemption capability.

C. THE CORE ISSUE FOR THE UNITED STATES

This then brings us to the central strategic question for the United States: How should the United States respond to China's further pursuit of a secure second-strike force? What should the United States want?

From a U.S. perspective, the ideal nuclear relationship would probably be the one it has enjoyed: U.S. supremacy and PRC minimalism. This has been ideal in part because it has been untroubling to American interests in other nuclear relationships, with Russia and Japan, for example. But China evidently is prepared to work rather hard to take this option off the table.

Realistically, then, Washington faces an either/or question. Either it tolerates China's pursuit of second-strike, which entails not responding to China's build-up by fielding countervailing defenses. Or it seeks to trump China's pursuit of a secure second-strike, which entails reorienting the BMD program away from a limited one focused on rogues to something more capable. Tolerate or trump?

There is also a third option: to hedge. This entails constructing a BMD that China views as a threat to the viability of its deterrent, and then not responding to China's efforts to redress that situation through its force modernization. But this entails also establishing some conditions under which the defense might be reoriented to respond to that modernization. Those conditions could include, for example, continued Chinese adherence to international non-proliferation norms so that it does not aggravate the international instabilities Washington seeks to redress with BMD. Another condition might be that Chinese modernization does not exceed the requirements of the status quo ante. One possibility, after all, is for China to modernize more aggressively in a bid to construct a relatively robust force-de-frappe on the French analogue, large enough to tear off an arm of any adversary, or even perhaps in the longer term a force sufficient to stake a claim as the world's second nuclear power. Violate these conditions, and then America chooses trump—according to the logic of this third option.

In order to gain insights into the interests that might guide U.S. choices among these three options, the paper now turns to the exploration of four issues.

D. NUCLEAR WEAPONS IN A TAIWAN CONFRONTATION

What role might nuclear weapons play in a confrontation over Taiwan? And what does this imply for the question about the type of offense/defense relationship that best serves U.S. interests?

Historically, U.S. nuclear war planners have had to consider other possible contingencies leading to nuclear confrontation between the United States and China. One such contingency was mentioned above—a three-sided war involving the United States, the Soviet Union, and China—in which Washington had to consider at various times the possibility that Beijing might side with or against Moscow, or simply exploit a U.S.-Soviet war for its own purposes. With the end of the Cold War and the greatly reduced possibility of war between the United States and Russia, this set of contingencies has taken on much reduced salience.

Another possible contingency involving possible U.S.-PRC nuclear confrontation is renewed conflict in Korea. But it would appear that the risks of U.S.-PRC nuclear confrontation on the Korean peninsula are today much reduced. In general, these risks appear reduced in comparison to decades past, given the rapprochement now unfolding for more than a decade on the peninsula. The specific risks also appear to have attenuated somewhat, in the sense that the United States has withdrawn its entire inventory of non-strategic nuclear weapons from the region, in part to support the commitments of North and South Korea to denuclearize the peninsula. Moreover, the risks of U.S.-PRC nuclear confrontation in such a war also appear to be reduced, given ever clearer signs from Beijing to Pyongyang that it would not support the North in a war initiated by the North. Additionally, Chinese experts voice wariness about being dragged into a war by a North Korea that might be prepared to use weapons of mass destruction. China's establishment of formal diplomatic relations with the Republic of Korea (South Korea) and rapid growth in their trade relations reinforce this expectation.

A third contingency, sometimes discussed among American experts, is possible escalation to the nuclear level of a conventional conflict somewhere other than in the Taiwan strait. It is not implausible that China's effort to project naval power into the South China sea, for example, might lead to some type of confrontation with U.S. forces deployed there. But credible scenarios leading to nuclear threats and attacks are difficult to conceive.

Thus it would appear that these three contingencies are less salient or plausible than before. But U.S.-PRC confrontation over Taiwan remains both salient and plausible. Indeed, there appears to be no other flashpoint around the world that could bring any of the five original nuclear weapon states into confrontation. Understanding the potential role of nuclear weapons in such a confrontation is thus an important task.

But this role has not been systematically studied over the years by either experts on the Taiwan conflict or by nuclear strategists. Research conducted for this study reveal three very different views in the U.S. community of the potential role of nuclear weapons in a U.S.-PRC confrontation over Taiwan.

One: nuclear weapons would be largely if not completely irrelevant to such a confrontation. The first view appears to be widely held in the defense planning community and indeed among political-military analysts generally. A 1999 DoD Report

to Congress on *The Security Situation in the Taiwan Strait*, for example, makes no reference to the possible role of nuclear weapons.¹⁷

Two: nuclear weapons would be relevant and U.S. deterrence will work. This view is perhaps best encapsulated in a statement by then Assistant Secretary of Defense Joseph Nye in 1995, to the effect that “I know how to deter [Chinese missiles]...If deterrence prevented 10,000 Soviet missiles from reaching the United States, it baffles me as to why it wouldn’t prevent 20 Chinese missiles from reaching Alaska.”¹⁸

Three: nuclear weapons would be central but U.S. deterrence cannot work. This view has been elaborated by Keith Payne, among others: “U.S. superiority in nuclear and conventional arms could wrongly lead U.S. decision-makers to confidence in their capability to deter China.”¹⁹

Given these sharply different notions of the potential role of nuclear weapons in a confrontation over Taiwan, this study has developed a framework for systematic analysis of questions of escalation and de-escalation in conflict. That framework draws heavily on Herman Kahn’s study of escalation ladders and Thomas Schelling’s study of nuclear coercion.

In *On Escalation*, Kahn describes “the rungs of the escalation ladder” according to a structure of key phases of conflict. By his definition, these phases encompass sub-crisis maneuvering, traditional crises in which nuclear war is unthinkable, intense crises in which nuclear becomes thinkable but does not occur, “bizarre crises” in which adversaries strike each others’ military forces but not their homelands, and military central wars involving city targeting. As he argues,

“the ladder indicates that there are many relatively continuous paths between a low-level crisis and an all-out war, none of which are necessarily or inexorably to be followed...Metaphors, of course, can be misleading. Studying the ladder is supposed to stretch and stir the imagination, not confine it....The order of the rungs is not to be

¹⁷ *The Security Situation in the Taiwan Strait, Report to Congress* (Washington, D.C.: Department of Defense, 1999), submitted pursuant to the FY99 Appropriations Bill.

¹⁸ Remarks to the Defense Writers Group, October 18, 1995, Washington, D.C., as quoted in “Word for Word,” *Defense News*, October 23-29, p. 26. See also Bates Gill, “People’s Republic of China,” No. 6 in *The Deterrence Series* (Alexandria, Va.: Chemical and Biological Arms Control Institute, 1998).

¹⁹ Keith B. Payne, *The Fallacies of Cold War Deterrence and a New Direction* (Lexington, Ky.: University Press of Kentucky, 2001), pp. 173-174. See also Payne, *Deterrence in the Second Nuclear Age* (Lexington, Ky.: University Press of Kentucky, 1996) and *China 2010: Deterrence in Transition*, paper prepared by the National Institute for Public Policy for Lawrence Livermore National Laboratory, August 2000.

regarded as fixed...There is also no necessity that one inexorably go *up* the ladder—rung by rung. One can go down as well as up, or even skip steps.”²⁰

In *Arms and Influence*, Schelling describes nuclear confrontation as a game of brinksmanship.

“There is undoubtedly a good deal to the notion that the country with the less impressive military capability may be less feared, and the other may run the riskier course in a crisis; other things being equal, one anticipates that the strategically ‘superior’ country has some advantages. But this is a far cry from the notion that the two sides just measure up to each other and one bows before the other’s superiority and acknowledges that he was only bluffing. Any situation that scares one side will scare both sides with the danger of a war that neither wants, and both will have to pick their way carefully through the crisis, never quite sure that the other knows how to avoid stumbling over the brink. If brinksmanship means anything, it means manipulating the shared risk of war. It means exploiting the danger that somebody may inadvertently go over the brink, dragging the other with him.”²¹

How might these conceptual approaches be utilized to understand the dynamics of a potential U.S.-PRC nuclear confrontation over Taiwan? What might be the phases of such a war and how might all three parties seek to manipulate the shared risks? Figure 1 illustrates a notional decision tree depicting the types of choices that would have to be made by Beijing, Washington, and Taipei in such a conflict. Red indicates decisions and actions taken by Beijing; Blue indicates Washington’s decisions and actions; Green indicates Taipei.

Figure 2 describes in a generic way the options for escalating and de-escalating a conflict that decision-makers would phase as the conflict unfolds. It illustrates a variety of escalatory options, beginning with conventional means but then coming to nuclear ones as well. The problem with such a generic structure is that it fails to capture the different perspectives that inform the thinking of each of the three parties to the conflict—Beijing, Washington, and Taipei. The figures that follow illustrate in strawman fashion the separate perspectives of decision-makers in each of the three capitals.²²

²⁰ Herman Kahn, *On Escalation* (Baltimore, Md.: Penguin Books, 1968), p. 37.

²¹ Thomas C. Schelling, *Arms and Influence* (New Haven, Ct.: Yale University Press, 1996), pp. 98-99.

²² These strawmen are constructed on the basis of readings, dialogues with experts, and interviews, for the purpose of elaborating salient differences in national perspective. They cannot be interpreted as definitive. They were the focus of a day-long symposium at IDA in June 2001 as part of the research for this project.

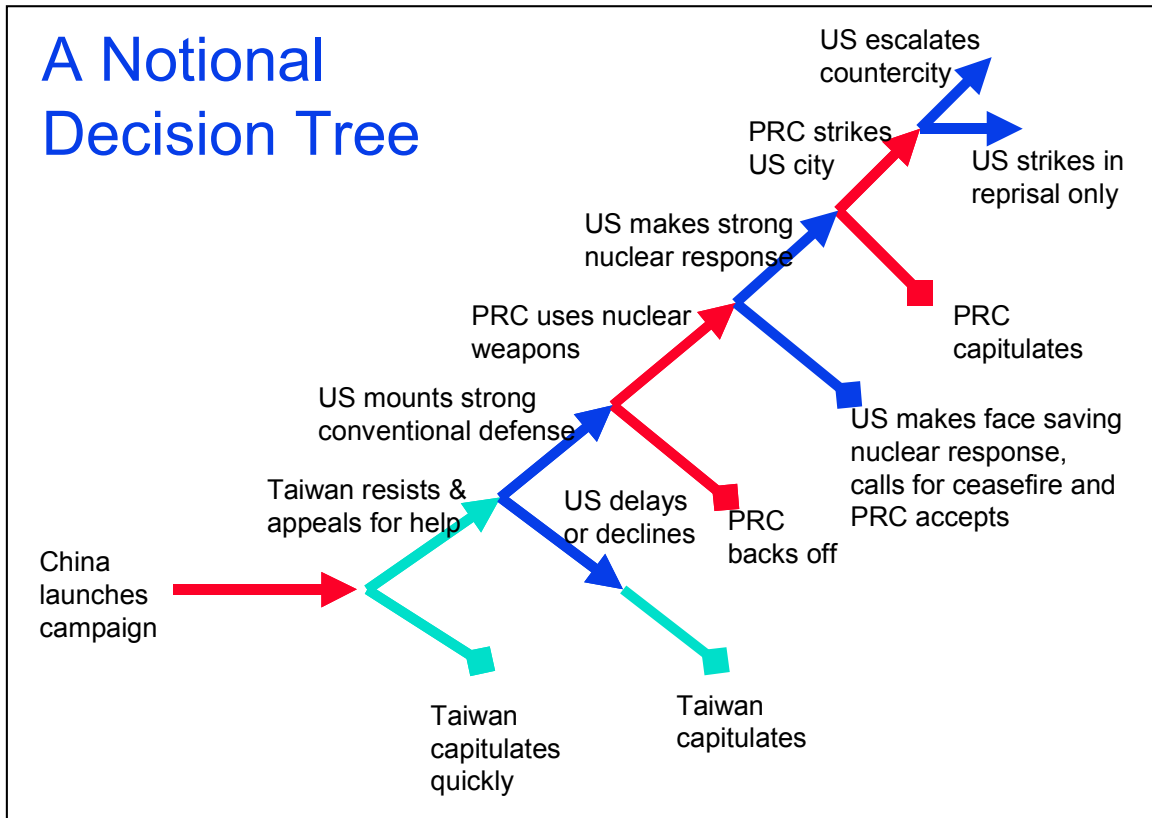


Figure 1. A Notional Decision Tree

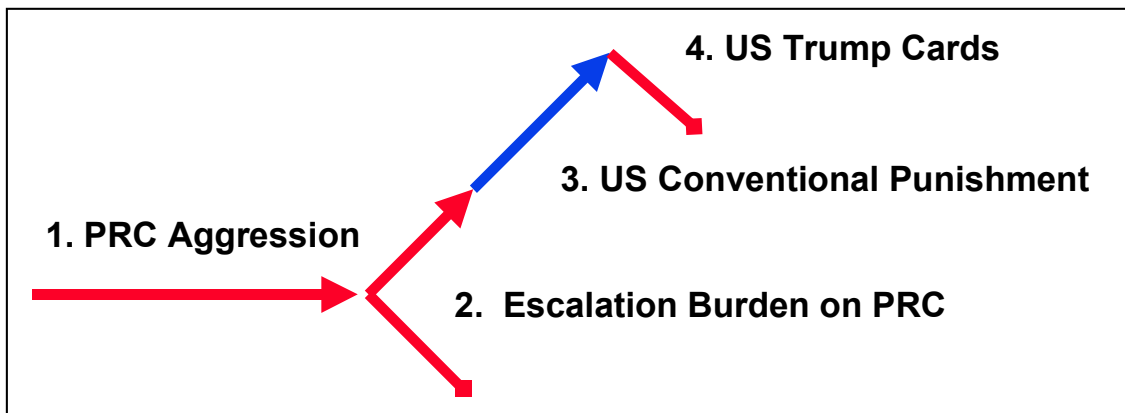


Figure 2. A U.S. View of Escalation Over Taiwan

This U.S. view illustrates the view widespread among American experts that the United States would have many advantages in competitive escalation in such a crisis:

1. In the standard U.S. view, the opening phase of the war is defined by an act of PRC aggression. Taiwan is understood to be capable of holding out militarily until U.S.

forces arrive, and politically as well, meaning it would not capitulate. Other important U.S. assumptions: Taiwan does not take independent action to retaliate and escalate against the PRC. And U.S. allies provide support to deploying U.S. forces.

2. In the U.S. view, the escalation burden falls on China. The conventional balance across the strait is such that Taipei does not have to capitulate and Beijing faces a long stalemate. Beijing's economic interests will be increasingly at risk in any prolonged confrontation and thus it will face pressure to escalate or cut its losses. Some in the U.S. community see escalation as likely. Others see it as unlikely, on the argument that the control of the Communist Party would be at risk if it loses face in such a confrontation. China's most obvious escalation option at this point is to attempt to employ conventional forces to sink elements of a U.S. carrier battle group.

3. Many U.S. experts assume that the United States would respond to Chinese escalation with devastating conventional attacks on military targets on the Chinese mainland, to include strategic systems capable of retaliating against the United States.

4. U.S. experts tend to believe that Beijing would have little capacity or will to counter-escalate at this point. Many describe such escalation by China as "crazy," given the ability of the United States to dominate a competitive process of escalation at any level.

It should hardly be surprising that perceptions among Chinese experts differ, as synopsised in the following figure.

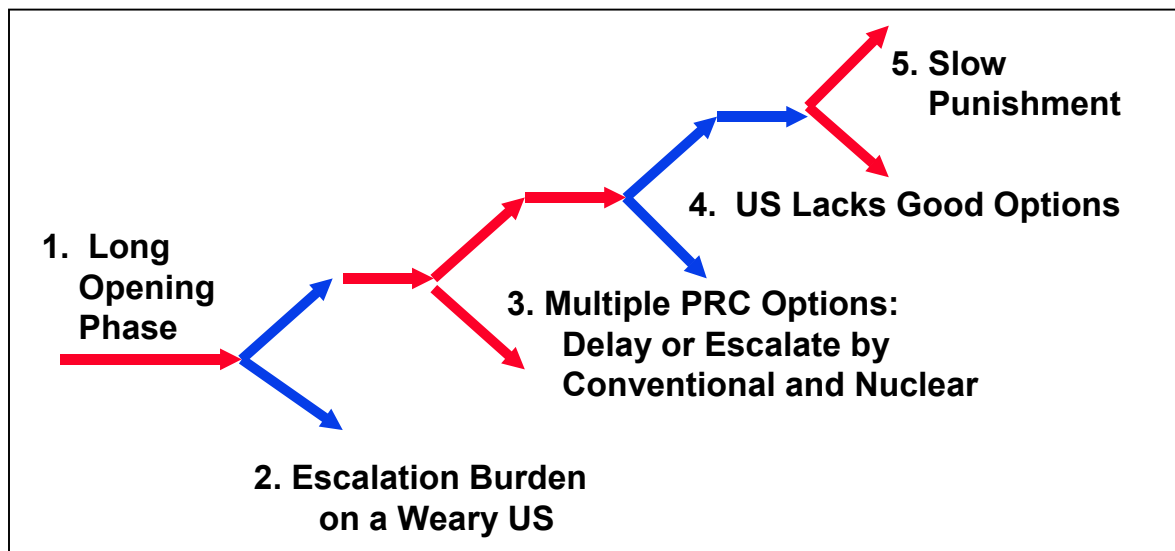


Figure 3. A PRC View of Escalation Over Taiwan

1. In the Chinese view, the opening phase could be quite long, especially if Beijing is careful to choose a moment when the United States is heavily engaged in conventional combat elsewhere.

2. Chinese experts tend to believe (or at least hope) that the escalation burden will fall on the United States. Chinese experts recognize that the U.S. military would have the upper hand once they arrive in the combat zone, but they also hope that in a protracted conflict Americans would grow weary of the steady loss of life—so long as China does not counter-escalate in a way that prompts a “Pearl Harbor” reflex. From a Chinese perspective, Washington’s escalation options cannot look particularly attractive. In a stalemated situation where Taipei seems to be wavering and in which China’s ability to inflict punishment must quickly be blunted, Washington would feel compelled to threaten and then conduct conventional strikes on military targets on the Chinese mainland. China has sought to dissuade such escalation by threatening that attacks on its military facilities (as opposed to forces operating in the strait) could be met with (non-nuclear) Chinese attacks with ballistic and/or cruise missiles on U.S. military bases in the theater and/or military facilities in the United States.

3. If Washington chooses to escalate rather than accept Beijing’s coercion of Taipei, there may be no immediate Chinese response if Beijing believes that there is still some chance of Taipei’s capitulation or fatigue in Washington. Chinese experts see a number of escalatory options. These include attacks of the kind noted above on U.S. military facilities in the region and beyond. Other options include limited (non-nuclear) ballistic missile attacks on U.S. allies in the theater and the more aggressive attack on U.S. naval assets. Chinese nuclear attack at this phase seems unlikely but cannot be fully ruled out. In China there has been an active debate about nuclear uses that might fall below Washington’s perceived retaliation threshold, with nuclear attacks aimed at generating electromagnetic disruption of U.S. forces as one oft-mentioned option. This would be a highly risky gamble, of course, and the Chinese can hardly be confident in calculating nuclear pinpricks that are decidedly below U.S. nuclear response thresholds. De-escalation at this phase by China is conceivable if there are political “wins” to cover military losses and thus does not put the regime at risk. So long as Taiwan is not left formally independent at this stage, Beijing could well tout its successes in inflicting punishment on Taipei for not returning to the bargaining table, and in teaching a lesson to the United States that China is willing to go to war to secure the outcome over Taiwan it desires as reason enough to claim partial victory and then de-escalate.

4. In response to PRC escalation, some Chinese analysts argue that the United States does not have many good response options. Attacking Chinese cities would not look attractive to American decision-makers at this phase, they argue, so long as China has not so far killed many civilians in Taiwan and so long as its attacks on U.S. targets have been limited to military ones. They believe also that the mobility of new generation Chinese ballistic missiles means that the United States would be unable to attack them.

5. In response to U.S. escalation, China would then have the choice of de-escalating, perhaps with the hope that it could portray itself on the world stage as a victim of American nuclear bullying. Or it could respond by retaliating in its own way, whether promptly with available intercontinental systems or slowly by smuggling nuclear weapons onto or near the territory of the United States.

Taipei's own view of potential nuclear escalation processes also merits attention here.

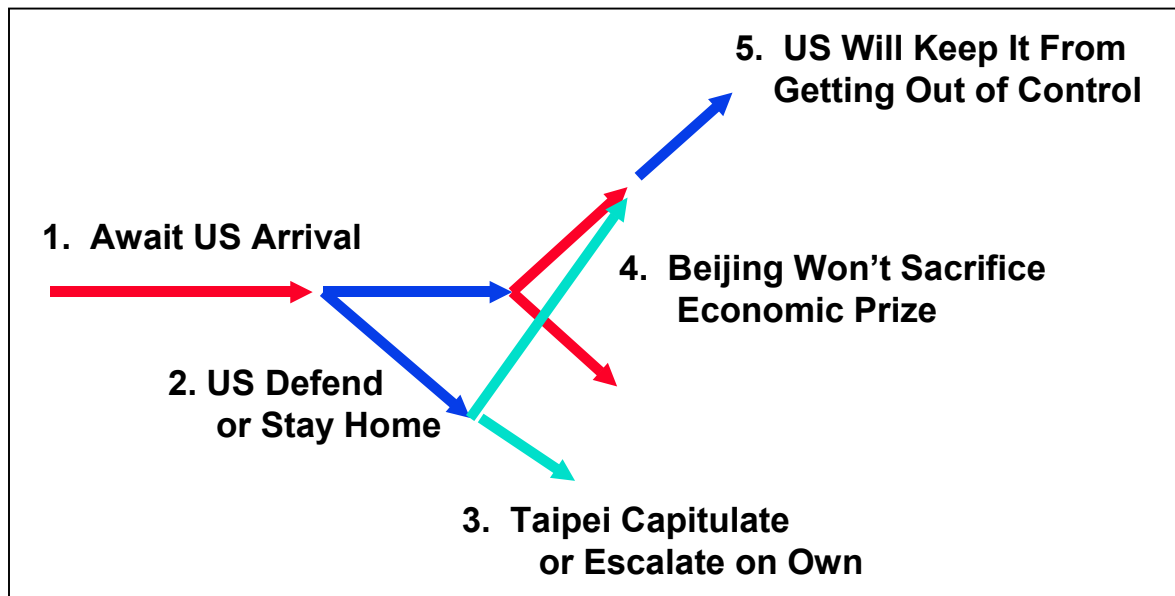


Figure 4. A Taiwanese View of Escalation

1. In the opening phase, Taiwanese experts have some confidence that they can hold out conventionally until Washington acts. Those experts note also that Taiwan has the capacity to inflict punishment of its own on the mainland should it so choose.

2. Taiwanese experts focus here on U.S. intervention, not escalation. They tend to see such intervention as likely, but not guaranteed. They expect that Beijing would only commence a military action when Washington is militarily preoccupied elsewhere. They anticipate also sharp internal U.S. debate about whether and how to intervene.

3. Should Washington opt not to intervene, Taipei would then face a choice about whether to capitulate or escalate. In choosing to escalate, it might have two purposes in mind. One would be to compel a choice in Beijing to escalate or opt out. The other would be to signal to Washington and others in the international community the rising stakes in conflict. Whether Taiwan is capable of such escalation or of sustaining it beyond a pinprick or two is doubtful. Taiwanese military forces did periodically attack mainland targets prior to the PRC's construction of an effective air defense, but today they lack the means to penetrate those defenses or the ballistic missiles necessary to substitute for air power. Their force of F-16s might be capable of inflicting some damage. Of course, over the medium-term future Taipei might acquire such capabilities. Taipei has encouraged outside observers to speculate that it might have a nuclear option at this phase of a conflict—with a long-standing policy of

“intense ambiguity” on nuclear weapons.²³ A nuclear threat could substantially raise the stakes for all. But a nuclear bluff that has been called could quickly bring an end to its efforts to escalate the conflict.

4. In response to escalation by either Washington or Beijing, Taiwanese experts tend to believe that de-escalation by Beijing is likely, given the economic costs of prolonged conflict. Moreover, they tend to believe that Beijing has few good options for escalating the conflict at this point, as further punishment of Taiwan would increase the likelihood of prolonged public unwillingness to reunify with the mainland—or simply destroy the economic prize.

5. But Taiwanese observers seem to be confident that any nuclear escalation by Beijing would be met with a sufficiently powerful U.S. response to deny Beijing further options.

With these three different strawmen in mind, what does this suggest about the escalation potential of a U.S.-PRC confrontation over Taiwan under the nuclear shadow?

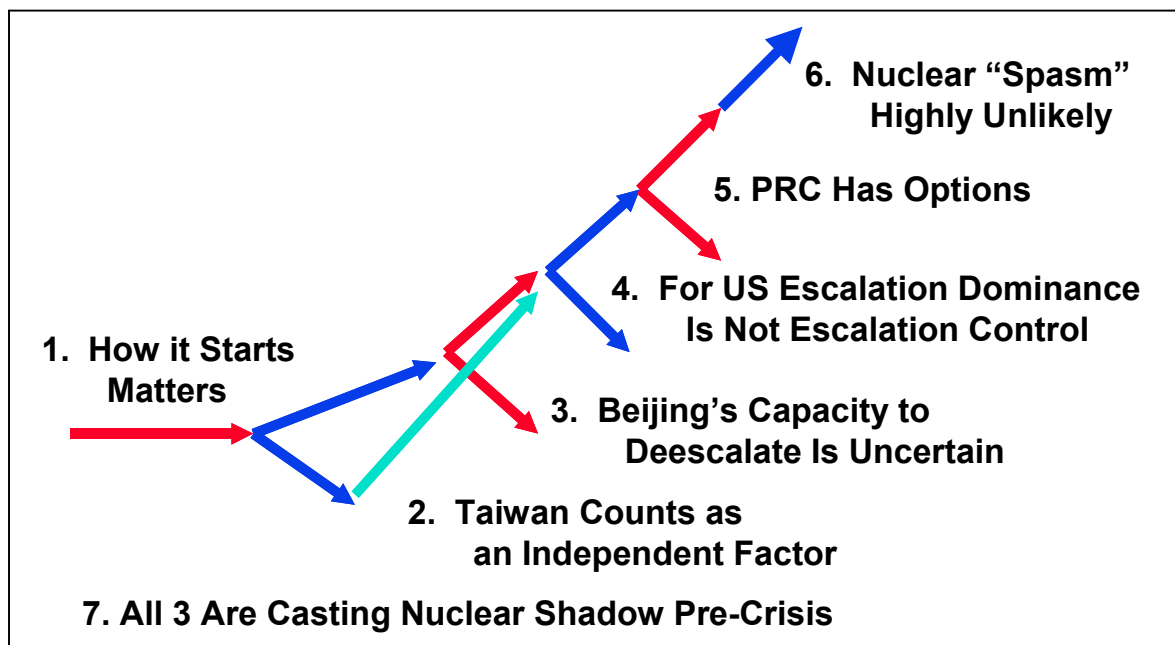


Figure 5. Escalation Conclusions

1. How the war starts matters. The starting point determines the interests at stake for all three capitols. A recent PRC defense white paper defines three potential starting points: a formal declaration of independence by Taipei, nuclear acquisition by Taipei,

²³ Gerald Segal, “Taiwan’s Nuclear Card,” *Asian Wall Street Journal*, August 4, 1998; Alice Hung, “Taiwan: Taiwan Says It Will Study Need for Nuclear Arsenal,” Reuters, July 28, 1995; and David Albright and Corey Gay, “Taiwan: Nuclear Nightmare Avoided,” *Bulletin of the Atomic Scientists*, Vol. 54, No. 1 (January/February 1998), pp. 54-60.

and a failure by Taipei to return to the negotiating table in a reasonable period of time.²⁴ The scenario touching on the most fundamental issues of sovereignty and regime credibility is the first (response to independence) and thus it seems likely that it would pose significant escalatory risks.

2. Taiwan counts as an independent factor. Indeed, Taipei's behaviors—not Washington's—are the primary focus of Beijing's coercion, especially early in a conflict. Moreover, Taipei can defend and, on a limited basis, attack the PRC independent of U.S. preferences. It can also "coerce" Washington in the sense that it can threaten such actions as an inducement to actions by Washington that serve Taipei's interests.

3. Beijing's capacity to de-escalate is uncertain. A war that is seen as once and for all settling the Taiwan issue seems likely to put regime survival in Beijing at stake. But there is also abundant historical evidence pointing to the willingness of the leadership of the PRC to accept military losses so long as political points have been won.²⁵

4. Washington would enjoy escalation dominance but not necessarily escalation control. Its threats may be discounted on the argument that its interests at stake in the conflict are not sufficient to run the risks associated with nuclear war, especially against an adversary perceiving its vital interests at stake. But Beijing may well believe that the United States would find it difficult to use nuclear weapons in ways that serve its interests in anything other than punishment of the Chinese people. In their view, the military targets that it might strike would not be operationally decisive, given the mobility of PRC missiles.

5. Beijing has some limited options for escalation. But it would run very high risks in doing so. If it genuinely comes to believe that there are nuclear uses that fall below the U.S. nuclear response threshold, it runs the risk of badly miscalculating the kinds of interests that would be at stake for Washington in such an escalating war. At this phase, Beijing seems likely to again want to prolong conflict rather than escalate. Nuclear first-use would run the risk of sully Beijing's claim to the moral high ground.

6. An endgame of the kind Herman Kahn defined—nuclear "spasm" and Armageddon—appears extremely unlikely in this type of contingency. The PRC may want to compete at this level, but cannot.

7. To a very significant extent it would appear that Beijing, Washington, and Taipei are all attempting to cast nuclear shadows back over the so-called pre-crisis phase. Indeed, this may well be their primary focus—manipulating perception of their political will and their adversary's perception of risk as a way to shape developments in the cross-strait relationship in circumstances other than war. Central to Beijing's

²⁴ *China's National Defence in 2000*, Ministry of Defense, Beijing. See Michael McDevitt and David Finkelstein, *Assessing China's Year 2000 White Paper: A Workshop Report* (Alexandria, Va.: Center for Naval Analyses Corporation, November 16, 2000).

²⁵ Allen S. Whiting, *The Chinese Calculus of Deterrence* (Ann Arbor, Mich.: University of Michigan Press, 1975) and Abram N. Shulsky, *Deterrence Theory and Chinese Behavior* (Santa Monica, Calif.: RAND, 2000).

strategy to regain sovereignty over Taiwan and to prevent a formal declaration of independence by Taiwan is the repeated effort to demonstrate its willingness to pay very high costs while inflicting substantial damage if a war ever begins. Central to Washington's strategy to reassure Taiwan that it need not knuckle under to coercion by Beijing is a credible means to counter any Chinese military action. Central to Taipei's strategy to dissuade PRC military action and to keep America engaged is to suggest the possibility of a nuclear conflict that gets out of hand. Each appears less interested in credible escalation options than in appearing to be the master of shaping developments in the cross-strait situation.

What insights follow from this exploration of the potential dynamics of nuclear coercion over Taiwan? Let us begin with the propositions noted above about the potential role of nuclear weapons.

First, nuclear weapons are unlikely to be irrelevant to confrontation over Taiwan. All three parties are apparently concerned with casting the nuclear shadow—and how others will do so. Beijing's modernization of its theater and strategic forces (as well as its conventional capabilities) is motivated in part by the desire for new or improved options at each level of war, to shift the escalation burden onto Washington, and to cast the shadow back to the pre-crisis phase, so that there is no defection by Washington or Taipei from the principle of One China as embodied in the Shanghai Communiqué. Taipei has pursued a policy of "intense ambiguity" on its nuclear ambitions and capabilities.

Second, there would appear to be a lot of truth in the argument that nuclear deterrence would play an important role in such a conflict, not least because U.S. advantages would shape certain PRC behaviors. The United States has many conventional and nuclear advantages and these are likely to constrain PRC behavior in many ways. PRC escalation to intercontinental counter-city exchanges appears especially unlikely given the scale of punishment that the United States can inflict on China.

But casting the nuclear shadow back over the low end of the conflict would be difficult for Washington, not least because it seems likely to want to downplay the potential role of nuclear weapons early in any such crisis, so as to gain the leverage that ought to flow from its superior conventional forces. Moreover, having escalation dominance does not translate into escalation control.

Third, there would also appear to be a lot of truth in the argument that effective deterrence would be problematic. The interests at stake in such a conflict are asymmetric, as this would be a war for sovereignty fought on what Beijing considers its national

territory. The willingness to bear costs also appears to be asymmetric. At the very least, these factors reduce the credibility of U.S. threats.²⁶

Fourth, defenses would shift the calculus of deterrence in ways favorable to the United States. At each decision point for Beijing as it considers war initiation and escalation, BMD protection of its adversaries would increase its uncertainty of gaining desired outcomes. They would reduce the likelihood that Taipei would feel pressured to capitulate early—or engage in attacks of its own. They would decrease pressures on Washington or Taipei to escalate for limited missile attacks by Beijing, while also increasing its willingness to escalate by reducing the costs of doing so. This could lead the PRC to consider the kind of larger scale attacks that might also be seen as more certain of generating a stiff U.S. reply. Even an imperfect BMD seems likely to influence Beijing’s decision calculus, as leaders there contemplate possible U.S. reactions even following a successful intercept.

But defenses are not a panacea. They appear unlikely to be able to fully protect both U.S. forces in theater and Taiwan from PRC punishment. Moreover, they do not substitute for U.S. conventional and nuclear advantages, which would remain a significant part of the decision calculus. Moreover, Beijing seems confident that even a “perfect” BMD cannot provide Americans with a confident sense of invulnerability in wartime, given likely vulnerabilities in the defense itself but also China’s ability to wage asymmetric warfare by means other than missile attack (if this point is inconsistent with one in the preceding paragraph, this reflects China’s own ambiguity on the BMD topic).

For this analysis it is necessary to distinguish between defenses that protect Taiwan, U.S. forces in combat, U.S. bases in theater, friends and allies in theater, and those that protect the U.S. mainland.²⁷ Successful attacks on different target types would generate different incentives for ending, continuing, or escalating the conflict. In a Taiwan contingency, the benefits of BMD seem higher in case of theater and lower in

²⁶ On the general problem of the credibility of U.S. deterrence in an era of asymmetric conflict, in addition to Payne, see *The Fallacies of Cold War Deterrence and a New Direction*, and Shulsky, *Deterrence Theory and Chinese Behavior*, see also Brad Roberts, *Asymmetric Conflict 2010* (Alexandria, Va.: Institute for Defense Analyses, 2000) and Brent Sterling et al., *U.S. Coercion in a World of Proliferating and Varied WMD Capabilities* (Washington, D.C.: DFI International/SPARTA, 2001), both products prepared for the Advanced Systems and Concepts Office of the Defense Threat Reduction Agency. On the challenges of nuclear deterrence, in addition to Kahn, see *On Escalation*, and Schelling, *Arms and Influence*, see also Patrick N. Morgan, *Deterrence: A Conceptual Analysis* (Beverly Hills, Calif.: Sage Press, 1977) and Robert Jervis, *The Meaning of the Nuclear Revolution: Statecraft and the Prospect of Armageddon* (Ithaca, N.Y.: Cornell University Press, 1989).

²⁷ For an elaboration on this point, see *Report to Congress on Theater Missile Defense Architecture Options for the Asia-Pacific Region* (Washington, D.C.: Department of Defense, 1999).

case of national defenses. The risk of massive intercontinental nuclear exchange appears extremely remote. The only condition that would seem to make it possible is that Beijing cannot choose to de-escalate as the conflict escalates up Kahn's ladder because doing so would lead to massive public unrest and the Communist Party's removal from power. But surely a massive U.S. nuclear attack on China, in retaliation for PRC nuclear attack on the U.S. homeland, would have as its central purpose removal of the regime. Americans accustomed to thinking in terms of all-out wars of nuclear annihilation because of a NATO-Warsaw Pact war of escalation that got out of control need a different model for understanding the high-end escalatory potential of a conflict over Taiwan.

There is one last but important consideration in this discussion: the transition to a defense-dominant deterrence of China may be just as unstable as the once-feared transition to Star Wars. If Beijing indeed perceives that U.S. BMD deployments would deprive it of useful leverage in meeting a real military crisis, then it seems plausible that Beijing would choose to attempt its military option before its perceived window-of-leverage begins to close.

Fifth, this conflict would, like all conflicts, be rich with opportunities for miscalculation—of the costs of certain courses of action and of the ability to manipulate the risk perceptions of other parties. It is noteworthy that the three potential parties to such a conflict appear to have rather different pictures of the conflict dynamic. Beijing's perceptions of the United States as deeply casualty averse may lead to behaviors by Washington that it does not expect. Washington's heavy focus on deterrence of Beijing and, in the nuclear community at least, relative lack of focus on reassurance of Taipei raises a question about how Taipei might act to shape Washington's perceptions. An especially potent source of potential miscalculation is the belief, common in both Beijing and Washington, that the stakes remain asymmetric as the conflict unfolds. To be sure, stakes would appear asymmetric at the outset of conflict. But an escalating conflict will create interests for Washington in its global credibility as a guarantor that Beijing may not anticipate. An escalating conflict may also invoke what one analyst has described as America's "ultimate foreign policy concern" to use its power to promote democracy globally.²⁸ In the Cold War, U.S. experts came to define crisis instability in terms of the technical characteristics of opposing nuclear forces and the possibility that one side would conclude that going first was necessary in order to avoid the costs of going second;

²⁸ Caroline Ziemke et al., *Strategic Personality and the Effectiveness of Nuclear Deterrence*, IDA Document D-2537 (Alexandria, Va.: Institute for Defense Analyses, 2000).

in this potential post-Cold War crisis, the instabilities may well have many other sources.²⁹

Sixth, timing matters. In today's world, Beijing has no meaningful military capability to invade Taiwan or defeat U.S. conventional forces and only limited ability to coerce either. Victory in military terms is out of the question, if it is defined in terms of occupation and conquest. Capitulation by Taipei under occasional punishment by Beijing is somewhat less out of the question, if the people of Taiwan come to believe both that China is implacable and that the United States is not willing to commit to total war. But such capitulation would seem to require an ability to do continuing damage to both Taiwan and U.S. conventional forces that appears lacking today. However, China is working to modernize its conventional and strategic forces and to develop new concepts and operational capabilities, which can be expected to pay dividends over the coming years and decades.³⁰ Whether such dividends will be sufficient to its political aims vis-à-vis Taiwan is hotly debated. Their significance will be measured in terms of advantages gained, not simply improvements made. The central question from the perspective of the deterrence calculus is whether the United States will sustain its advantageous conventional position—and Taiwan's. [So long as it does, the burden of escalation should remain with Beijing.]

Moreover, over the coming decade or two, economic integration between Taiwan and the mainland will only increase. So too will China's integration in the global economy—along with U.S.-PRC economic integration. Thus even as its capability to use force may improve, the costs of doing so will be increasing as well.

E. THE NUCLEAR RELATIONSHIP AND THE POLITICAL RELATIONSHIP

The exploration of the potential role of nuclear weapons in a U.S.-PRC confrontation over Taiwan provides some insights into the basic question about the nature of the offense/defense relationship with China that best serves U.S. interests. As argued above, this contingency may well not encompass the full range of conceivable points of military confrontation between China and the United States, but it seems far more plausible than any of the other potential contingencies. But the requirements for U.S.

²⁹ Brad Roberts, *Nuclear Multipolarity and Stability* (Alexandria, Va.: Institute for Defense Analyses, 2000).

³⁰ Paul H.B. Godwin, *China's Defense Modernization: Aspirations and Capabilities* (Alexandria, Va.: Center for Naval Analyses, 2001) and Mark B. Stokes, *China's Strategic Modernization: Implications for the United States* (Carlisle Barracks, Pa.: U.S. Army War College, Strategic Studies Institute, 1999).

nuclear forces associated with such contingencies provide only one perspective on the basic question before this study. What other perspectives might help inform thinking on the question?

In the Bush administration's initiatives toward Russia, a new argument has taken shape that is germane to the U.S.-PRC question. The administration has argued that in order to foster the desired political relationship with Russia, one that moves beyond the enemy syndrome of Cold War vintage, it is necessary to re-make the strategic relationship. If the United States and Russia are no longer enemies, goes the argument, then the strategic relationship should not be defined above all by the principles of mutual assured destruction and the high currency of nuclear weapons. How might this argument map onto the China question?

What is the political relationship that the United States desires with China? A false dichotomy has taken hold of the policy debate, one that distinguishes between strategic partner and strategic competitor. It is a false dichotomy because the differences between the two are more apparent than real. Clinton administration supporters of strategic partnership with China did not claim that such a partnership existed, only that it was something they aimed to create; and that Washington would cooperate with Beijing where possible, but compete where necessary.³¹ Bush administration supporters of strategic competition have been at pains to argue that the fact that we sometimes compete should not obscure the many opportunities for cooperation on, for example, trade and regional security. National Security Advisor Condoleezza Rice, for example, has argued that "Our differences with Beijing should be put 'in a larger context'."³²

Attempting to break out of this stale debate, some analysts try to answer the question about desired political goals by drawing on historical analogies, whether to the Soviet Union or Bismarck's Germany. Analogies can be helpful but also misleading. China is *sui generis*. It is both a rising and a returning power, in the sense that it is recovering a place in the international system and the global economy from which it slipped for three centuries. It is in transition domestically and desires to modernize, though repressive Community Party rule remains at the national level. Military modernization has been a low priority in recent decades—thus far. Over the last two

³¹ See remarks by Secretary of Defense William S. Cohen, delivered to the Academy of Military Sciences, Beijing, January 19, 1998. See also comments by administration officials in *China-U.S. Relations in the Twenty-First Century: Fostering Cooperation, Preventing Conflict*, Report of the Eighty-ninth American Assembly, Columbia University, 1996.

³² "Bush, Rice Optimistic on China," *Washington Post*, July 13, 2001, p. A-22.

decades, China has joined the international system and various international regimes—and has not sought to overturn or replace them. Looking in long-term perspective, its past international behavior would suggest a foreign policy based on diplomacy, not conquest, and the expectation of deference from its neighbors, but not military subservience. But given the rapid change evident there, there can be no certainty about whether past is prologue. Moreover, as Henry Kissinger has argued,

“I am uneasy about our tendency in much of our debate to treat China as our next enemy and slide it into the spot vacated by the Soviet Union. It is a totally different phenomenon. When China challenges us, we should resist, but we should not gear our policy to make opposition to China an inherent, congenital characteristic of our foreign policy.”³³

The nature of the necessary political relationship with China is a topic generating intense debate in Washington—sometimes emotional debate. This debate is not so much about what Washington should desire politically, but what it is necessary to accept. The ideal, after all, would be a relationship in which the military aspect remains in the background as the two cooperate to promote stability in Asia and common economic interests, and China becomes more liberal and democratic. But if the ideal is beyond our reach because of the situation in China, what must America accept? A more fractious political relationship, but one where common economic and regional security goals are sufficient to stay the cooperative course? A more intensely competitive jockeying for advantage in a zero-sum East Asian game? More combative relations as the two sides actively prepare for military confrontation over Taiwan?

There are two further camps in this debate about China. One sees China as a communist state in rapid decline, whose own weakness and insecurity are certain to precipitate confrontational approaches to America and its East Asian allies as a way to prop up the regime. The other sees China as a necessary, indeed useful, enemy. The argument runs as follows: America’s proclivity to disengage from world affairs after each major engagement only leads to subsequent reengagement, when it must pay a high price in blood and treasure to restore peace and stability internationally. At this time in history the temptation to disengage is again strong. America needs an enemy to keep it engaged. China’s rise provides a convenient focus. The existence of such a view is attested to by Secretary of State Colin Powell’s recent high-profile rebuttal: “We are not working to

³³ Remarks to a meeting of former secretaries of state, Council on Foreign Relations, May 24, 2001, as reported in the Council’s *Calendar and Chronicle*, June 2001, p. 4.

convert China into an enemy. We do not need another Soviet Union in order to give us a sense of purpose.”³⁴

Spelling out each of these views is necessary because each points to different implications for the basic question about what nuclear relationship best serves U.S. political interests. Drawing on the preceding world-view summaries, what is implied for the BMD question?

- *The ideal world*: China’s second-strike is irrelevant because the political relationship is such that nuclear exchange is inconceivable.
- *Fractious but essentially cooperative*: second-strike tolerable but large U.S. offensive hedge remains highly salient. Reassuring Beijing concerning U.S. intentions with BMD could reduce its objections.
- *Zero sum*: second-strike capability tolerable but reassurance less important.
- *Combative and militarizing*: second-strike capability not tolerable and America has a first order moral obligation to protect its citizens.
- *Communism on the brink*: pursue BMD so that it stresses China economically and politically, with the hope that it accelerates the collapse of communist rule.
- *China as useful enemy*: seek to trump China’s strategic modernization because China’s stiff reply will generate the political will in the United States to move from a limited to a thicker defense against any missile-armed state, not just the rogues.

The Bush administration has sought to choose a course that is closely parallel to the one pursued by its predecessor. It has argued that “We do not view China as our enemy and our limited missile defenses are not directed at it.”³⁵ But the position it has staked out seems likely to be subjected to intense debate as its strategies and policies continue to take shape.

The fact that there are so many camps in this debate portends continued difficulty in pursuing a consistent policy line. This difficulty is well known to China and colors its willingness to take the word of any particular leader as the last U.S. word.

In coming to terms with arguments about the strategic implications of the political relationship, it is useful to have some notion of Chinese perspectives on this question.³⁶

³⁴ “Excerpts of Powell Interview,” *Washington Post*, July 14, 2001, p. A-16.

³⁵ White House missile defense papers, July 11, 2001.

³⁶ The following summary is drawn from Appendix One and Wang Jisi, “China-U.S. Relations at a Crossroads,” discussion paper prepared for an Asia Foundation Workshop on America’s Role in Asia, April 2-4, Tokyo, Japan; Chu Shulong, “The U.S. and China in the Early 21st Century: Cooperation, Competition, or Confrontation?” discussion paper prepared for a Fudan University workshop on U.S.-

China is ambivalent toward the United States. On the one hand, Washington is Beijing's most important partner. Only the United States can deliver the peace and stability in Asia that will allow China to continue to focus on its internal developmental priorities. Only the United States can facilitate China's emergence into the international trading system and broad access to new sources of capital and technology. Only the United States can facilitate the emergence of a "normal" Japan that does not remilitarize and upset regional stability and Chinese security.

On the other hand, China is concerned about America as a rogue hegemon, a state that professes its commitment to balance of power and rule of law but seeks to put itself above that law, as in its Kosovo operation (undertaken without UN Security Council authorization) and recent behavior regarding several international treaties and agreements, and to escape that balance through the pursuit of a splendid conventional force, a stout missile defense, and perhaps nuclear supremacy.

This ambivalence is magnified by the pending leadership transition in China, as noted above. In October 2002, a substantial portion of the Politburo will turn over, including essentially the entire senior tier of leadership. The reputations of individuals and indeed of entire generations are now at stake, with a central focus on who knows best how to deal with America.³⁷

China's sense of ambivalence has been magnified by events in the first half of 2001. On the one hand, some Bush administration officials, principally Secretary of State Powell, have been forthright in arguing that China is not America's enemy and the ballistic missile defense it intends to construct is not purposefully designed to negate China's deterrent. On the other hand, China is worried about a string of actions by the administration that strike a discordant tone. These include:

- President Bush's April statement that the United States would defend Taiwan "without question," which was a retreat from the long-standing policy of strategic ambiguity, and which was followed by an arms sales package to Taiwan that, despite the absence of Aegis cruisers, signaled a dramatic increase in the flow of conventional arms to Taiwan.
- Statements by various administration appointees, made in their prior private capacities, suggesting their strong support for formal Taiwanese independence

China relations, March 3-4, 2001, Shanghai, China; Wu Xinbo, "Managing U.S.-China Relations," PacNet 44, November 3, 2000; and the regular article on U.S.-China relations appearing in each quarterly edition of the electronic journal *Comparative Connections* (www.csis.org/pacfor/ccejjournal.html).

³⁷ Summary, "China's Political Succession and Its Implications for the United States," convened at the Woodrow Wilson International Center, February 21, 2001.

and resurrection of the U.S. alliance relationship with Taipei that ended with diplomatic recognition of the PRC in 1971.

- Reports that the Pentagon's review of defense strategy envisions a shift in military emphasis from Europe to Asia, with rising concern about the China threat.
- Press descriptions of adjustments to the SIOP increasing "by 100 percent" the number of targets in China.³⁸
- The administration's decision to drop Deputy Secretary of State Richard Armitage from the team sent to Beijing to explain the administration's approach to ballistic missile defense. Armitage traveled to other Asian capitals, including Delhi.

Chinese leaders look to the October 2001 summit, occasioned by President Bush's visit to China to participate in the APEC summit, as an opportunity to determine which tendency has the upper hand in the administration.

From China's point of view, what is at issue in America's approach to the nuclear relationship is America's attitude toward a rising China. At issue are American intentions, not simply American capabilities. Bush administration choices on strategic offense, defense, and arms control are being read by Beijing for what they could imply. On policy toward China, do they imply the continuity suggested in conciliatory administration statements? Or do they imply the radical agenda on Taiwan hinted at in some administration actions? Does America seek encirclement and containment of China, and perhaps even confrontation now over Taiwan, while China is weak and economic ties to China have not fully developed? And what do those choices imply about America's perception of its world role (and thus its willingness to challenge or infringe China's interests)? Is America seeking to escape the balance of power, before the oft-rumored reemergence of a peer competitor in a decade or two, so that it can pursue its pro-democracy campaign by military means? Or is it seeking to bring into being a concert of powers in which China can express its major power ambitions without being encircled and contained?

Let us return again to the analogy to U.S.-Russian relations and the argument that Washington and Moscow cannot have the desired political relationship without moving away from a strategic relationship based on a nuclear balance of terror. In U.S.-Chinese relations, the core proposition may be just the reverse: Washington cannot have the desired political relationship with China without acquiescing to Beijing's effort to gain a secure second-strike capability. If Washington desires Beijing's willingness to cooperate

³⁸ Walter Pincus, "U.S. Considers Shift in Nuclear Targets; Defenses to Focus on China, Experts Say," *Washington Post*, April 29, 2001.

on the bilateral agenda, its interests are best served by not motivating China to oppose them. A decision to trump China's modernization would be read in Beijing as signaling U.S. encirclement, containment, confrontation, and perhaps even expectation of war, including war with a strategic nuclear dimension. In this case, Washington should anticipate Chinese reactions not just in the strategic nuclear realm, as it "races" to second-strike, but also in its foreign policy. Expect Beijing to adopt more threatening postures vis-à-vis U.S. allies (while also pursuing strategies to weaken those alliances), pursue even deeper strategic cooperation with Russia, and return to the active proliferation of the weapons of mass destruction technologies and delivery systems—and perhaps defense countermeasures—as part of a strategy to pin America down in other regions and to deny it the stability and security it seeks through BMD. Even if it opts to tolerate rather than trump China's deterrent, Washington cannot expect an easy and fully cooperative relationship with China, given the competing interests at play in the relationship, the history of suspicion and hostility, the unresolved Taiwan issue, and uncertainty about the path of reform in China.

F. THE INTERESTS OF U.S. FRIENDS AND ALLIES

How might the perspectives of U.S. friends and allies inform U.S. thinking? This is an especially salient question at a time of renewed effort to reinvigorate those relationships.

U.S. allies in East Asia (Japan, South Korea, the Philippines, Thailand, and Australia) have been more directly involved in the debate about the types of ballistic missile defenses that might protect them from attack than about whether the United States should seek to fully negate the potential for Chinese missile attack.³⁹ On this latter point, the public pronouncements of U.S. allies in East Asia are studiously agnostic. While acknowledging the preference of the United States to move to deploy such defenses, there is also some nervousness about the possible repercussions for regional stability if they are pursued in a way that reinforces perceptions of American unilateralism.

Those allies have voiced two specific concerns bearing on Washington's offense/defense choices. One concern is that Washington is focusing excessively on the security challenges posed by missile proliferation to the detriment of other opportunities

³⁹ Katy Oh Hassig, *Northeast Asian Strategic Security Environment Study* (Alexandria, Va.: Institute for Defense Analyses, 2001). See also Evan S. Medeiros, rapporteur, *Ballistic Missile Defense and Northeast Asian Security: Views from Washington, Beijing, and Tokyo* (Monterey, Calif.: Stanley Foundation and Center for Nonproliferation Studies, Monterey Institute of International Studies, 2001).

to promote peace and stability, such as the tentative opening to North Korea and the challenges of political and economic transition. By doing so, they argue Washington makes itself increasingly irrelevant to the types of security cooperation that these allies would like to pursue in the region.⁴⁰

The other concern relates to the character of the U.S.-PRC relationship. America's allies in East Asia generally prefer those relations to be both moderate and predictable. They note the tendency of that relationship to swing from one extreme to another, from relations so friendly and warm that Beijing and Washington cooperate without much consultation with Washington's allies, to relations so hostile and cold that Washington is recruiting partners in a crusade to contain China. America's allies in East Asia prefer a bilateral U.S.-PRC relationship that is neither too warm nor too cold but just right—think of this as the Goldilocks rule of East Asian stability. To the extent that Washington's pursuit of BMD is perceived as a violation of this rule, by souring U.S.-Chinese relations and signaling a U.S. effort to recruit partners for Chinese containment, their political support for BMD seems likely to wane. A decision to trump China's second strike would be far less likely to garner allied support than a decision to tolerate it, and would be acceptable only if the United States were willing to continue the role of counter-balancer. A decision to tolerate China's second strike would not be welcomed if it also turns the United States into a paper tiger unwilling to stand up to Chinese bullying of them. A decision to cede America's military advantages in the conventional and nuclear domain would hardly be welcomed by these allies, however, as they recognize the value of such tools for inhibiting the most egregious forms of Chinese coercion.

Taiwan presents a different set of issues. It is not formally a U.S. ally—Washington renounced its alliance with Taipei at the time that it recognized the PRC, though there are many in the U.S. Congress calling for the reconstitution of the alliance relationship (a move that would require abrogation of the Shanghai Communiqué, the main agreement governing U.S.-PRC relations). Taiwan clearly worries that an indecisive Washington may find more reasons not to intervene militarily if Beijing gains improved means to target the United States. But Taiwanese experts are also alarmed by the argument that America's deterrent is not credible in the absence of missile defense of the homeland (whatever its validity).

⁴⁰ Ronald Montaperto and Satu Limaye, *Asia and the United States' Security Anxieties—Mind the Gap*, PacNet 29, July 20, 2001.

America's allies in Europe also have a stake in what happens in the U.S.-PRC strategic and political relationship. They are concerned about the spillover effects of heightened U.S.-PRC friction that a decision to trump China's second-strike would seem to portend. These include collusion between Beijing and Moscow at the expense of Western interests, whether in Central Asia, the Persian Gulf, or Northern Africa, as well as further PRC proliferation assistance to states neighboring Europe and the Mediterranean. It seems doubtful that America's allies in Europe would find it necessary to join an anti-China crusade by Washington in the way that it was necessary for them to do in joining the anti-Soviet crusade during the Cold War, not least because they perceive no direct threat from China.

India too matters in this survey of interested states. Although not a U.S. ally, it is an important actor in Asia with rising expectations in both Delhi and Washington for the fruits of enhanced cooperation between the two. Indian experts see heightened friction between the United States and China as an opportunity for strategic cooperation with Washington, in the service of Chinese containment. But they are also concerned that a PRC-U.S. offense/defense arms race could generate further demands on India's nascent nuclear force.

This brief review suggests that the case has not been made to leaders in these states that their interests would be well served by a decision in Washington to trump China's second strike. To be sure, America's allies often resist U.S. initiatives until well persuaded by Washington. On this particular questions, it seems that persuasion would have a long way to go.

G. MAJOR POWER NUCLEAR RELATIONS GENERALLY

A final topic that might generate some insights relevant to the central question here is the major powers as a group—the nuclear weapon states in the form of the five permanent members of the U.N. Security Council. How might a general view of the nature of the nuclear peace among them inform questions about the specific U.S.-PRC dimension? Experts and policymakers in Washington have begun to think through a series of specific bilateral relationships as they investigate the requirements of nuclear security in the post-Cold War era—U.S.-Russian, U.S.-rogue, now U.S.-PRC relations. How might Washington begin to think about the generic question of relations among the nuclear weapon states?

As a point of departure for this inquiry, it is useful to recognize that we find ourselves at a unique historical moment. Among the major powers a wary peace prevails.

With the exception of Taiwan, there appears to be no flashpoint among the nuclear weapon states that might potentially lead to nuclear use. At the regional level, we have the unprecedented emergence of a range of actors capable of wielding weapons of mass destruction and of threatening attacks into the American homeland. This is also an international system defined by the singular role of the United States, in terms of its unique ability to act unilaterally across major military theaters and to generate coalitions that solve major political, military, and economic problems. Its unparalleled influence also points to its unique ability to motivate counter-balancing behaviors by the other powers.

Specific strategies for preserving and extending this wary peace that look beyond specific bilateral components have barely begun to take shape. Alternative views of what is possible and necessary inform very different visions about the nature of the present challenge of preserving and extending that wary peace. These visions have given rise to quite different notions of the potential value to the United States of BMD and imply different choices about how best to respond to China's effort to secure a second-strike force. To synopsise these visions:

- *America Beleaguered:* in this vision, America finds itself in a world beset by increasingly powerful challengers. Its goal should be to increase its capacity for independent action and to reduce the potential costs of power projection. BMD seems to promise an escape from WMD anarchy.
- *America as Benign Hegemon:* in this vision, America finds itself in a position to extend Pax Americana to an even larger portion of the globe. Its goal should be to increase its power and influence, and that of its allies, to expand the democratic peace. BMD should be pursued as a tool of power projection and coalition building.
- *America in Pursuit of Absolute Security:* in this vision, America finds itself at a window of opportunity to exploit the weakness of potential counter-balancers to reform the international system. Its goal should be to so compose its military potential that it can escape the balance of power before a new peer competitor emerges. BMD should be pursued as a supplement to a splendid conventional force and nuclear superiority to ensure unfettered American freedom of action.
- *America as First Among Equals:* in this vision, America finds itself in a world of new potential partners, including erstwhile adversaries, who are willing and able to cooperate with America across a broad range of interests in the political, economic, and security domains. Its goal should be to lead them to these cooperative purposes while minimizing the risks of renewed zero-sum competition. BMD should be pursued only in ways that assure them that America does not intend to exploit its full power potential to their disadvantage—and that reassure other major and medium powers that the prevailing order will long remain.

Each vision has a different implication for the China-U.S. question. A beleaguered America should protect itself to the maximum extent possible against all powers large and small because it cannot expect that the other major powers have common interests with it. A benign hegemon should tolerate the deterrents of the other major powers so that it enhances the possibilities for cooperative responses to global order. An American in pursuit of Absolute Security should trump China's deterrent so that the stronger China to come is incapable of counter-balancing American power and power projection. An America that is first among equals should pursue BMD cooperatively with the other major powers, including China, because by doing so it enhances their mutual security.

It seems unlikely that the debate among adherents of these alternative visions will be concluded any time soon. Indeed, it seems likely that more camps will emerge in this debate before it is somehow settled. In the meantime, it is useful to explore more deeply the role that nuclear weapons play in the relations among the nuclear weapon states in the present strategic environment.⁴¹ Their function as deterrents remains, but this seems far less dominant a function than at a time when these powers were clearly divided into enemy camps.

Dissuasion would appear an increasingly important function, in the sense that the major powers seek to so posture their strategic capabilities that new nuclear challengers do not emerge. Dissuasion of China's potential interest in replacing Russia as the globe's second nuclear power in coming decades is a topic of increasing interest in Washington.

Reassurance is another important function of nuclear weapons. This is well remembered historically as the value of nuclear weapons in reassuring U.S. allies of the credibility of the U.S. extended deterrent and thus their freedom from victimization by the Soviet Union. But it has also taken on a new meaning in the new strategic environment—reassurance of the people in the United States and allied countries that Washington knows what it is doing, that its actions will contribute to the general peace and security, and that it is solving the problems posed by proliferation, without generating new ones.⁴²

The assurance function of nuclear weapons is also important. For Washington, nuclear weapons are an assurance that there will be no sudden collapse of the prevailing major power peace—which frees America to focus its energies elsewhere. For Moscow,

⁴¹ These arguments are drawn from Roberts, *Nuclear Multipolarity and Stability*.

⁴² As one senior Bush administration official has argued in an off-the-record discussion of the nuclear strategy review and the importance of reassurance, "Deterrence and escalation control cannot reassure."

nuclear weapons are an assurance that it will count where its vital interests are at stake. For Beijing, nuclear weapons are an assurance that it will not again be victimized by predatory major powers. In addition, for both Moscow and Beijing, nuclear weapons are an assurance that their territorial integrity will remain inviolate and that they will not be victimized by rising powers. And for all three (and U.S. allies), the nuclear deterrents are an assurance that changes to key aspects of the international order will proceed peacefully.

The Bush administration has elaborated some important first principles in this debate about defenses and peace and stability among the major powers:

- There will be a strategy for stability, of which BMD is only a part. As the White House has argued, “We intend to continue working with friends and allies to create a new framework for security and stability that reflects the new strategic environment.”⁴³
- Cooperation is desired. In the words of Secretary Powell, “We want more friends, people we can work with.”⁴⁴
- MAD will not be enshrined as a central principal among states that are not enemies. Mutual vulnerability remains, but the political foundations of threat are gone. Again from the White House: “The concept of mutual assured destruction was an expression of the implacably hostile relationship that existed between the U.S. and USSR during the Cold War. To address the threats of the 21st century, we need a new concept of deterrence that includes both offensive and defensive forces.”⁴⁵
- The proper foundation for cooperation is common interest. Again from the White House: “We will seek to complete the work of changing our relationship with Russia ‘from one based on a nuclear balance of terror to one based on common responsibilities and common interests.’”⁴⁶

As the new administration moves to operationalize these principles in its foreign policy toward Russia, its allies, and others, where might China fit in? In this vision of the nuclear future, is China odd man out?

There is an argument that it should be. After all, of the major nuclear weapon states, China is the only one run by a communist regime committed to the principles of one-party rule, opposed to the values of Western society, and opposed to America’s long-term military presence in its environs. Like Russia, it is modernizing away from a

⁴³ White House July 11 missile defense documents.

⁴⁴ “Excerpts of Powell Interview,” *Washington Post*.

⁴⁵ White House July 11 missile defense documents.

⁴⁶ Ibid.

communist past, but unlike Russia, its efforts to become more democratic and “liberal” in the classic, Western sense are so far nil. (This is less true at the local level, where some pluralization and democratization are in evidence.) Moreover, it actively plans for a war with America over Taiwan.

But there is also an argument that it should not be left as odd man out. As both the Clinton and Bush administrations have argued, China is not America’s enemy. And to the extent they are competitors, China is not committed in the way the Soviet Union was to an ideological context for third-party countries (meaning that the two—the United States and China—are not *de facto* in a zero-sum political relationship). America’s interests in the relationship with China extend far beyond the issues in dispute over Taiwan; its long-term interest is in ensuring that China’s reemergence into the international system is not deeply disrupted by Chinese dissatisfaction with that system.

If the United States opts to treat China as odd man out in this new era of relations among the nuclear weapon states, it should expect Chinese dissatisfaction. There will be repercussions in the U.S.-PRC relationship of the kinds noted in the discussion of the U.S.-PRC political relationship. But there will also be repercussions elsewhere in the international system, especially as other powers, major and minor, react to a dawning sense that the post-Cold War major power peace may be about to come to an end. This could lead them to pursue stronger strategic postures, including possibly nuclear weapons. It could also lead U.S. friends and allies in East Asia to distance themselves from the United States, if they come to believe that it seeks confrontation with a power they do not perceive as expansionist, and seek to encourage as a reforming neighbor. It would be lamentable if, in seeking to treat China as odd man out, the United States ends up in that role.

Alternatively, if the United States opts to accord China the type of nuclear relationship that the latter wishes, then it should expect sharp criticism for having appeased a rising power.

H. SUMMARY AND CONCLUSIONS

Recall the key question posed at the opening of this study: What best serves U.S. interests in the strategic nuclear offense/defense relationship with China? Should it seek to trump PRC strategic modernization with a defense composed so as to defeat any second strike, or should it tolerate mutual vulnerability as an enduring principle?

From a nuclear point of view, America's interests would best be served by the relationship that it has had with China—strategic dominance. But China is essentially taking this option off the table.

The Taiwan case study points to the many virtues of defenses for the United States. To be sure, these virtues are more prominent in the defense of U.S. power projection forces and of Taiwan than of the United States itself. Moreover, BMD is no panacea. U.S. advantages on the offensive side, both conventional and nuclear, remain centrally important to the conflict dynamic. The potential value of defenses depends in part on whether the transition can be navigated without heightened risk of war. It depends also on other aspects of U.S. policy (including whether it continues to adhere to the Shanghai Communiqué and maintains the prevailing conventional balance across the Taiwan strait). And it depends on the perceived likelihood of conflict. If a conflict seems unlikely, then the potential values to the United States of BMD ought to matter less in an overall net assessment, and other considerations given more value. If a conflict seems likely, then those values should weigh more heavily.

U.S. interests in maximizing China's willingness to cooperate on regional security, nonproliferation, and economic policy questions would be ill served by signaling confirmation of China's near-paranoia concerning U.S. strategic intentions. On the other hand, Beijing's willingness to accede to U.S. policy preferences on these and related issues is not high, and the bilateral relationship promises to be fraught with friction whatever happens in the offense/defense realm.

U.S. allies view the prospect of a chilling in U.S.-PRC relations with trepidation. Though fearful of a rising China, they are more fearful of a China that fails to rise—and blames them. Of course, the reluctance of allies to follow Washington's lead is an old theme and they can typically be won over when sound strategic arguments are made.

Leaving China as odd man out in the wary nuclear peace among the major powers puts at risk U.S. initiatives to deepen and extend that peace and to shape the international environment through more cooperative approaches. On the other hand, the prevailing peace may prove ill-fated for reasons beyond U.S. control.

This balance sheet suggests that there can be no black-and-white view of the best answer to the basic question posed here. The problem emerges in shades of gray, depending to a significant extent on one's assumptions and views of a wide range of issues associated with strategic stability, alliance relations, and the major power peace that may appear at first glance as only loosely connected to the China question. Thus this

paper closes with a summary of the implications of the three main choices in terms of their potential benefits, costs, and risks.

Option One: Trump

Benefits: The benefits of this approach are three-fold. First, it promises protection of the U.S. population in the event of Chinese nuclear attack and minimizes U.S. risks in protecting Taiwan. Second, it promises to constrain Chinese behavior in a Taiwan contingency, while also enhancing U.S. flexibility. Third, it reassures friends and allies that the United States will protect them in the face of threats from Beijing.

Costs: Such a choice would appear to:

- Substantially diminish China's willingness to cooperate where mutual interests might otherwise suggest cooperation.
- Generate allied resistance to joining a U.S.-led anti-China crusade. Allies would also face increasing pressure from Beijing.
- Encourage further counter-balancing of the U.S. role through closer Sino-Russian strategic collaboration, including perhaps with the rogues. Russia's willingness to go much further down this path is of course uncertain, and perhaps Washington can minimize that risk by finding some accommodation with Moscow on the BMD issue.
- Raise questions for U.S. allies about its ability and willingness to shape the region in ways favorable to their interests.
- Alert Russia to the possibility that the U.S. pursuit of a thicker defense against China's missiles portends a U.S. defense that seriously infringes the viability of its own deterrent (unless some separate deal has been struck).
- In the worst case, isolate Washington from the mainstream process of integrating China into the global political and economic systems.
- Antagonize the successor leadership generation in China by casting in doubt the strategy of accommodation with Washington pursued by the present generation.
- Entail very substantial fiscal costs.⁴⁷

It should be noted that many of these costs are of the kind that would be paid in the political and security realm before the technology of defense will actually make such defenses viable.

⁴⁷ James Bradley, *The Potential for a China versus US Offense-Defense Arms Race*, November 30, 2000. Bradley prepared this study as a visiting William C. Foster fellow while at the Bureau of Verification and Compliance in the Department of State in 2000/2001.

Risks: Beijing may determine that a military move against Taipei is necessary before BMD capabilities become operational. Rather than dissuade China from seeking a role as the second nuclear power, such a decision might motivate it to do so.

Option Two: Tolerate

Benefits: These are potentially four-fold. First, this choice would appear to increase Beijing's willingness to cooperate across the agenda of bilateral interests. Second, by removing an incentive for Beijing to enhance strategic cooperation with Moscow, Washington may increase the likelihood that it will get what it wants in U.S.-Russian relations. Third, by assuaging concerns about a possible breakdown of major power peace, Washington decreases the risk that medium and small powers will defect from their current strategic postures. Fourth, such a decision would reduce defense investment requirements.

Costs: Three stand out. First, the American homeland would remain vulnerable to attack by Chinese missiles. Second, there would be some loss of leverage in a confrontation over Taiwan. Third, Washington would be vulnerable to the charge that it has appeased a rising power.

Risks: Taiwan may conclude that it needs a nuclear deterrent of its own—and conceivably move to a neither-confirm-nor-deny posture. U.S. allies may be reluctant to invest in missile defenses that protect them if there is no parallel protection of the United States. Beijing may not believe that Washington will or can stick by this decision, given the multiplicity of views within the body politic.

Option Three: Hedge

Benefits: Avoids the costs and risks of the “trump” option and promises some of the benefits of the “tolerate” option. Increases prospects for cooperation in the political realm, while minimizing impacts on the Sino-Russian relationship. Reassures U.S. allies and others among China's neighbors that a chilling of Sino-U.S. relations is not in the offing.

Costs: The United States could lose its head-start in a “race” to gain defense dominance if that later proves necessary.

Risks: These are potentially numerous. One, China has long heard the argument that BMD is not “aimed at it” and simply hasn't believed that argument, not least because the types of architectures that appear most viable for the United States at this time effectively negate its deterrent. The risk here is that Beijing will conclude that

Washington is deceiving it and has secretly chosen to trump. Two, an open-ended U.S. pursuit of BMD would only fuel the Chinese fear that the hedge strategy is little more than an effort to lull Beijing into inaction while Washington sorts out the technology.

There is a further difficulty with the hedge option. The two conditions that Washington seems likely to set also seem unlikely to be met by Beijing. One likely U.S. condition is that China's modernization not threaten the stability Washington seeks by going beyond a modest program of strategic modernization. But as argued above, China is determined to modernize purposefully to gain a secure second-strike retaliatory and to create a new type of nuclear relationship that does not now and has never existed. Moreover, its modernization to create a force that it considers viable may lead it to a substantial build up, not simply something roughly equal to the number of U.S. interceptors plus 20. The other likely U.S. condition is that China not engage in proliferation behaviors deemed unacceptable by Washington. But Beijing has found such behaviors eminently useful as a form of linkage in the bilateral relationship—as a way to get Washington's attention on matters of high interest to it. It seems likely to be unwilling to relinquish this useful tool in a bid to constrain American BMD, especially if it believes that American restraint will not be forthcoming.

Persuading China that the hedge strategy is not secret cover for the trump would seem to require restraint by the United States, in the form of some abandonment of the open-ended strategy, and some expression of this restraint in a political agreement. But it is not clear that either restraint vis-à-vis China's strategic modernization or an arms control process with Beijing is conceived as part of the hedge strategy and can be pursued in Washington at this time as part of a strategy to persuade Beijing that the ball is in its court. How the United States might begin to explore these challenges of inducing restraint by China is taken up in detail in the third of IDA's three FY01 paper on strategic stability in Northeast Asia.⁴⁸

⁴⁸ Brad Roberts, *East Asia's Nuclear Future: A Long-Term View of Threat Reduction* (Alexandria, Va.: Institute for Defense Analyses, 2001).

APPENDIX A

China and BMD: Perspectives and Likely Reactions¹

Like many other countries, China was taken by surprise by the July 1998 agreement between the Clinton administration and the Republican-led Congress to move to deploy a national missile defense (NMD) as soon as technologically possible. To be sure, China had worried about the prospect of such a defense for decades, given an ill-fated 1960s U.S. effort to deploy the Sentinel system for protection of the United States from Chinese missile attack, and then the resurrection of such efforts with President Ronald Reagan's 1983 "Star Wars" speech. And the prospect of the deployment of missile defenses to U.S. friends and allies in East Asia had generated rising concern in Beijing through the mid-1990s. But policymakers in Beijing apparently did not anticipate the impact on the U.S. domestic debate of the Rumsfeld Commission report and North Korea's launch of the Taepodong 2 missile, or the subsequent remaking of U.S. policy on ballistic missile defense (BMD). And their concern appears only to have risen with the advent of the Bush administration and its apparent commitment to proceed with BMD, whatever it takes.

China has responded to the developments of 1998-2001 in various ways.

- China's disarmament ambassador, Sha Zukang, called for multilateralizing the Anti-Ballistic Missile (ABM) Treaty so that China could have a say in its fate.²
- China and Russia issued a joint communiqué stating that "to preserve and strengthen the ABM treaty is of critical importance" and arguing further that the treaty is "the cornerstone for maintaining strategic stability" and that undermining it will result in arms racing and will "place additional obstacles to the disarmament process."³

¹ This appendix is drawn from a paper on China's responses to BMD prepared with IDA research support in FY00 and which is being published in revised form as Brad Roberts, "China," in James Wirtz and Jeffrey Larsen, eds., *Rocket's Red Glare: Missile Defenses and the Future of World Politics* (Boulder, Colo.: Lynne Rienner, 2001). It is included here in updated form as a supplement to the arguments about U.S. interests in the U.S.-PRC nuclear relationship for the purpose of synthesizing Chinese perspectives for the U.S. audience.

² Sha Zukang, remarks to the seventh annual nuclear nonproliferation conference, "Repairing the Regime," of the Carnegie Endowment for International Peace, Washington, D.C., January 13, 1999.

³ Chinese-Russian press communique on Consultations on Issues pertaining to the ABM Treaty, Moscow, April 14, 1999.

- China and Russia cosponsored a resolution of the 54th United Nations General Assembly on “preservation of and compliance with the ABM Treaty,” which China deemed “a collective appeal by the international community to the United States.”⁴
- Ambassador Sha threatened “disastrous consequences” if the ABM treaty is amended or abolished, a theme echoed at the Conference on Disarmament in Geneva and at the review conference of the Nuclear Non-Proliferation Treaty in New York in Spring 2000.⁵
- As an adjunct to its pro-ABM strategy, there were reports in the Chinese press of a decision to spend an additional \$9.7 billion “to boost its second strike capabilities in response to any nuclear attack.”⁶
- With the arrival of the Bush administration, senior Chinese officials delivered a string of tough statements on BMD and expressed strong opposition to administration emissary James Kelly, assistant secretary of state, who was sent to Beijing in May 2001 as part of the administration’s BMD consultation effort.⁷

If Beijing was essentially caught by surprise by the U.S. move to deploy missile defenses, Washington was caught by surprise as well by China’s reaction. China had featured little if at all in Washington’s debate on BMD, which was instead focused on Russia and the rogues (that is, on how to find a viable counter to the proliferation of long-range missiles to rogue states without disturbing strategic stability with Russia). Until China’s vociferous complaints, virtually no thought had been given in Washington to China’s interests and potential reactions—to where China fits into this picture of the impact of ballistic missile defense. As Clinton official John Holum argued, China is in some ways “the toughest case....The objective facts are that China today has a small strategic force, and that the North Koreans live in the same neighborhood; thus even a limited NMD system aimed at the North Korean threat could also significantly erode

⁴ Sha Zukang, “U.S. Missile Defence Plans: China’s View,” *Disarmament Diplomacy*, January/February 2000, p. 5.

⁵ John Pomfret, “Chinese Official Warns US on Missile Defense,” *Washington Post*, November 11, 1999, p. A-01.

⁶ Joseph Fitchett, “Chinese Nuclear Buildup Predicted,” *International Herald Tribune*, November 8, 1999, p. 1. See also Benjamin Kan Lim, “China Allotting Funds to Counter Nuke Attack,” *Washington Times*, October 25, 1999, p. 18.

⁷ “It’s Still ‘No’ on Shield, China Says After Talks With U.S. Envoy,” *Reuters*, May 17, 2001. See also “China Warns US to Keep Taiwan Out of Any Missile Defense,” *Agence France Presse*, January 18, 2001 and briefing by Ambassador Sha Zukang on BMD, March 23, 2001, Ministry of Foreign Affairs, People’s Republic of China. See also “Chinese Statements on the Proposed U.S. National Missile Defense,” Arms Control Association Fact Sheet, Washington, D.C. and the database of similar statements and milestones provided by the Center for Nonproliferation Studies at the Monterey Institute of International Studies, Monterey, CA.

China's deterrent capability against the United States.”⁸ China's potential reactions loomed large in the Clinton administration's assessment of “the implications that going forward with NMD would hold for the overall strategic environment and our arms control obligations.”⁹ How they might influence Bush administration thinking remains uncertain.

But as observers of China's deterrent know well, China is involved in a broad-based modernization of its strategic capabilities.¹⁰ This is an effort long-predating the U.S. BMD decision, but one that provides China with the capabilities to overcome the “damage” done to its deterrent by U.S. BMD. Putting together China's pronouncements and programs, U.S. analysts project a build-up tied to BMD. As one group has argued, China is “likely to respond to a U.S. NMD system by deploying more of its own ICBMs and by developing more sophisticated countermeasures, both developments that are likely in any event as China continues to modernize its armed forces.”¹¹

Is this assessment and prediction valid? Will Beijing take steps to protect its deterrent? What other responses should Washington anticipate? To understand *how* China might react to BMD requires an understanding of *why* it might react. To understand the *why* requires some appreciation of the Chinese domestic context in which the issue will play out. From the perspective of China's debate about U.S. BMD, there are four salient facets:

1. the ongoing modernization program
2. the debate about the United States and the requirements of Chinese security in the post-Cold War era
3. the changing leadership dynamic in Beijing
4. the Taiwan conflict.

This appendix summarizes the aspects of these questions that are germane to China's BMD debate.

⁸ John D. Holum, senior adviser for arms control and international security, Department of State, “The President's NMD Decision and U.S. Foreign Policy,” remarks to a conference on International Reactions to the U.S. National and Theater Missile Defense Deployments,” Stanford University, March 3, 2000.

⁹ This is the so-called fourth criterion in the list of concerns that the Clinton administration indicated would guide its decision to proceed with NMD. See *National Security Strategy for a New Century*, The White House.

¹⁰ Robert Manning, Ronald Montaperto, Brad Roberts, *China, Nuclear Weapons, and Arms Control* (New York, N.Y.: Council on Foreign Relations, April 2000).

¹¹ Ivo H. Daalder, James M. Goldgeier, and James M. Lindsay, “Deploying NMD: Not Whether, But How,” *Survival*, Vol. 42, No. 1 (Spring 2000), p. 15.

Coming to terms with China's perceptions and predicting its possible actions are tasks fraught with difficulty. Rhetoric plays a very significant role in Chinese politics. And policymaking in a one-party state is by definition a closed process. Accordingly, the survey of opinions and arguments included here cannot simply be taken at face value. But, on the other hand, they provide important clues into those strategic perspectives.

This appendix goes on to explore the possible Chinese reactions to U.S. BMD in light of these various factors. Those reactions are likely to be shaped by Washington's choices about both the nature of the BMD program and capability it pursues, and the impact on the ABM Treaty. Different choices in Washington will lead to different choices in Beijing.

Chinese Strategic Modernization

China is mid-stream in a long-running effort aimed at making both qualitative and quantitative improvements to its strategic forces through the development, production, and deployment of follow-on systems to those already in place. Those forces consist primarily of short-range ballistic missiles tipped with conventional warheads and medium-range ballistic missiles tipped with either conventional or nuclear warheads. Intercontinental ballistic missiles (ICBMs) tipped with nuclear weapons are a relatively small fraction of the overall force. At a so-far modest pace, China has been making improvements to the range, mobility, and accuracy of these systems. China has also been working to improve their capacity to penetrate defenses, through the use of countermeasures and raw numbers.¹²

Where this modernization program is headed remains an open question, at least for outside observers. The 1999 U.S. National Intelligence Estimate on the ballistic missile threat concluded that "by 2015, China is likely to have tens of missiles capable of targeting the United States, including a few tens of more survivable land- and sea-based mobile missiles with smaller nuclear warheads."¹³ The committee chaired by Representative Christopher Cox that investigated allegations of Chinese espionage in the U.S. nuclear weapons complex concluded that China is capable of an "aggressive deployment of upwards of 1,000 thermonuclear warheads on ICBMs by 2015."¹⁴ An

¹² See Manning et al, *China, Nuclear Weapons, and Arms Control*, for further elaboration of many of these points and for a detailed set of references and citations for this chapter section on modernization.

¹³ National Intelligence Council, "Foreign Missile Developments and the Ballistic Missile Threat to the United States Through 2015," p. 5.

¹⁴ House Select Committee on U.S. National Security and Military/Commercial Concerns with the People's Republic of China, declassified report issued May 25, 1999.

alternative approach to understanding the future of China's strategic force emphasizes the alternative trajectories that such a force might take from here on out. There is no solid publicly-available evidence indicating that China has made the basic decisions about the key parameters of its future force—about whether the intercontinental component will remain relatively small in the overall mix, whether new systems will be deployed with multiple warhead capabilities, and whether nuclear capabilities will be given to the theater systems as well.

This modernization program has its genesis in a number of concerns. To a certain extent it is driven simply by concerns about the aging of systems deployed two or three decades ago and reaching the end of their serviceable lives. To a certain extent it is driven by the availability of new technology and expertise from Russia—and by the wealth to acquire both made possible by a more prosperous economy. To a certain extent it reflects concerns about the effectiveness of the force, long-standing concerns arising from the vulnerability of the silo-based force to preemption and its very limited ability to penetrate defenses. And to a certain extent modernization is driven by the shift in focus from Russia to the United States in China military planning circles. With the end of the Cold War and the collapse of the Soviet Union, China worries less about invasion from its North and West. But more than ever it worries about the possibility of confrontation with the United States over Taiwan. Over the decades China assembled a force of medium-range, nuclear-tipped missiles, which peaked in numbers in the mid-1980s at about 150, and gave much less emphasis to intercontinental capabilities (with only 20 or so missiles capable of reaching the United States). In summer 1999, China for the first time successfully tested a new long-range ballistic missile, the DF-31, whose development began roughly two decades ago with an eye toward the need to penetrate the thick defenses shielding Moscow from attack. But this solution does not fit very well the problem now before China. The DF-31 has a range sufficient to reach Moscow, a range that brings coastal cities in the Western United States within range, but no other territory of the United States. According to a February 2000 National Intelligence Estimate, the DB-31 will be targeted primarily against Russia and Asia as it enters into service in the near future.¹⁵ The 2000 NIE noted further that China is expected to test a longer-range mobile ICBM in the next several years, as well as a new submarine-launched ballistic missile, both of which will be able to target the full United States.

¹⁵ See Robert Walpole, "The Ballistic Missile Threat to the United States," statement for the record to the Senate subcommittee on International Security, Proliferation, and Federal Services, February 9, 2000.

For Beijing then, the challenges of penetrating an adversary's ballistic missile defense is familiar. It has apparently constructed a force capable of meeting its objectives vis-à-vis Moscow's defenses. This suggests that it also has the means within its reach to construct a force capable of penetrating U.S. missile defenses that is so constructed as to deal with states possessing a dozen or few scores of missiles. This line of argument leads to the conclusion cited above that U.S. BMD will lead to a build-up of China's intercontinental, nuclear force aimed at restoring the status quo ante, i.e., aimed at ensuring that China can deliver on to U.S. targets roughly the same number of warheads that might now be possible in the absence of such defenses.¹⁶ In comparison, at the regional level, it is also well on the way to having a deployed force of 600 to 800 short-range missiles capable of striking targets in Taiwan and the strait and arguably of overwhelming even a very stout theater missile defense.

It is important to note that this modernization program is unfolding also at a time of significant debate in China about nuclear doctrine. From the very start of its nuclear program in the 1950s, China has adhered to a doctrine of minimum deterrence (in Western parlance), aimed at protecting it from coercion by the other nuclear powers and gaining a proverbial seat at the table. It has embraced a doctrine of no-first-use. But over the last couple of decades a debate has emerged led by proponents of a shift to a more robust nuclear doctrine offering some limited warfighting options, which Western experts have deemed limited deterrence.¹⁷ Moreover, a debate about the possible contributions of nuclear weapons to China's national security has emerged over the last couple of years in response to Russia's re-embrace of nuclear weapons and nuclear first use, and to nuclear developments in South Asia and the prospect of nuclear confrontation with India.¹⁸

Chinese concerns about the effectiveness of its existing force are only magnified by these further developments around its periphery. Having listened to repeated Russian statements on the implications of U.S. withdrawal from the ABM treaty, some Chinese experts expect Russia to undertake a modernization of its own defenses, while also putting a major emphasis on modernization of its short- and inter-mediate range nuclear

¹⁶ For a further assessment on the impact of BMD on PRC force planning, see Michael McDevitt, "Beijing's Bind," *Washington Quarterly*, Vol. 23, No. 3 (Summer 2000), pp. 177-186 and Li Bin, "The Effects of ND on Chinese Strategy," *Jane's Intelligence Review*, March 7, 2001.

¹⁷ Alastair Iain Johnston, "Prospects for Chinese Nuclear Force Modernization: Limited Deterrence Versus Multilateral Arms Control," *China Quarterly* (June 1996).

¹⁸ Evidence of this debate has not yet made its way into the journal literature in China. But it is abundantly clear in the various Track Two dialogues that bring U.S. and Chinese scholars together to debate international security issues.

forces, of great concern to China. Those experts suspect that Russia would try to recoup the costs of such steps by selling advance missile defense technology to India, further complicating China's planning and targeting environment. When they consider also the possibility that U.S. theater missile defenses will be deployed to U.S. friends and allies in East Asia, these experts conclude that U.S. withdrawal from the ABM treaty will set in motion a chain of events that will essentially trump all of the hard work China has put in over the last two decades to improve the effectiveness of its forces. They worry about the loss of coercive leverage. This suggests the possibility of a trajectory for China's future force not so far considered in the United States—a build-up beyond that necessary to restore the status quo ante to one that hedges against a broader set of requirements than that dictated by the U.S.-PRC relationship alone.

Some experts in the United States dismiss the possibility of a major build-up of China's forces as not possible for a country so poor, especially one that has put military modernization at the bottom of the list of four modernizations. But this is not for China first and foremost a question of money. It is important to recall that China's original nuclear tests and first system deployments came at a time of huge turmoil and profound economic collapse in the country. Moreover, much of the infrastructure is already in place.

In trying to gauge the impact of BMD on China's strategic modernization program, it is important to understand what will happen regardless of what the United States does on BMD. China's modernization program long predates BMD and will presumably extend for decades into the future. China's force will grow more capable, quantitatively and qualitatively, whatever the United States does. This is a point made by Clinton administration officials in the NMD debate: "Whether or not we proceed with national missile defense, China's nuclear forces would expand in a way that would make this system less threatening to China."¹⁹ This theme has been echoed by the Bush administration: "China is already engaged in a substantial effort to modernize its strategic nuclear forces which are currently capable of striking the United States. We do not believe our deployment of limited missile defenses should lead Beijing to further accelerate or expand its buildup of strategic nuclear forces."²⁰ Washington should not let Beijing blame it for every new deployment. But BMD is hardly irrelevant to *how* China

¹⁹ Erik Eckholm, "China Says U.S. Missile Shield Could Force an Arms Buildup," *New York Times*, May 11, 2000, p. 1.

²⁰ Administration Missile Defense Papers, July 11, 2001.

modernizes its forces. Indeed, it seems likely to have a direct effect on the future trajectory of the Chinese modernization effort.

Chinese analysts are also skeptical that the “limited defense” promised by the Clinton and Bush administrations will not emerge, in timelines relevant to Chinese force modernization, as a “thicker” defense. Americans must understand the very long time-horizons that inform China’s investment policies and strategic posture. The DF-31 missile, for example, has been in development for more than two decades. Chinese experts find it virtually impossible to believe that the United States will stop at some initial capability. Indeed, they fully expect the kind of “open-ended” pursuit of BMD that some in the Bush administration describe. China can also find a great deal of evidence in the U.S. political debate suggesting that thin defenses are merely a prelude to thicker defenses, perhaps sooner, perhaps later, but in any case a decade or two hence. And whatever reassurances they might have heard from the Bush or Clinton administration representatives about the nature of Washington’s commitment to a limited defense, the Chinese have also heard a steady dose of expert opinion from Moscow reiterating the long-held view that the United States will never stop in the effort to construct the maximally effective defense within its reach once its heads down that path. This is another reason for thinking that China may well look beyond the status quo ante.

China’s Debate About America and the World

China’s concerns about BMD have as much to do with U.S. intentions as with its capabilities. As Shen Dingli of Fudan University has argued, China “remains strongly suspicious of the U.S. intentions in terms of NMD development.”²¹ Chinese experts pose two key questions. Does Washington intend to use BMD to harm China’s interests? Can China count on the international system as such to help counterbalance whatever malevolent intentions Washington may have?

As noted above, with the collapse of the Soviet Union, the United States has emerged as China’s most important military planning problem, given the unresolved dispute over Taiwan. But with the collapse of the Cold War, the United States has also emerged as the country most important in terms of China’s ability to accomplish its goals of developing and modernizing. Managing the bilateral relationship with Washington is thus one of Beijing’s central challenges in the post-Cold War era.

²¹ Shen Dingli, “Ballistic Missile Defence and China’s National Security,” *Jane’s Special Report*, April 17, 2000.

Beijing apparently had high hopes for the bilateral relationship in this new era, and actively sought a commitment from Washington to pursue joint development of “a constructive strategic partnership.” In the first half of the 1990s, its enthusiasm for the relationship with Washington was magnified by its own domestic economic growth and its tentative emergence into the global economy. In the second half of the decade, enthusiasm gave way to disappointment. Washington proved incapable of meeting Beijing’s expectations for the bilateral relationship. Some in Beijing blame this on the apparent fact that the China issue is regularly taken hostage by one or another political faction in Washington for some short-term domestic political gain.

Others perceive a more nefarious explanation. They see the United States as bent on preventing China’s emergence as a major power in the decades ahead. They see the United States as committed to the encirclement and containment of China, a view they support with selective arguments about the revisions to the U.S. defense guidelines with Japan, about U.S. support for leaders in Taipei, and about U.S. military activities in Central Asia. This perception is fanned by resentment over the growing frequency with which the United States resorts to military force to accomplish its foreign policy goals and by what many Chinese view as Washington’s refusal to subject its use of force in places like Yugoslavia and Iraq to due process at the United Nations Security Council. Some argue that America is the great danger on the world scene today, as the world’s only superpower besotted by its own predominance—as a rogue hegemon pursuing its own version of the Brezhnev doctrine by using force to prevent the rollback of human rights. They mock American fears of a rising China as a revanchist power, arguing that America is the truly non-status quo power on the world scene today, an argument they support with the assessment that Washington consistently acts to put itself above the very laws it helped to write, by using military force to compromise the sovereignty of others, and by putting its national values ahead of both the national sovereignty of others and the stability of the system.

These Chinese analysts cannot believe that the United States does not have a master plan. Reading American national security documents and studies about the expected re-emergence of a peer competitor sometime a decade or two hence, they see America as seeking to so construct its military forces and alliance relationships that it can escape the balance of power before that competitor emerges. In this sense, they describe missile defenses as part of a broader American effort to gain “freedom from attack...and freedom to attack” (from the Joint Vision 2020 concept) in all areas of potential combat—land, air, sea, and space. Thus the move to deploy defenses is part of a move to

gain strategic nuclear superiority, space control, and the full conventional benefits of the revolution in military affairs (RMA). This is the meaning behind the charge that America seeks Absolute Security. As Ambassador Sha has argued:

“The real motive of the U.S. government is to make use of the country’s unrivalled economic and technological might to grab the strategic high ground for the 21st century in both the scientific and military fields, so as to break the existing global strategic balance, seek absolute security for itself, and realize its ambitions for world domination.”²²

And if the Chinese believe America has a master plan for Absolute Security, they cannot believe that the master plan does not focus above all else on containing China. This reflects their innate sense of China’s natural place in the world. But it also reflects their understanding that China is the only country with which the United States has a potential power conflict of continental proportion, as China’s rise comes to challenge U.S. preeminence in East Asia. The bombing of China’s embassy in Belgrade in May 1999 helped to consolidate this view. For many Chinese, the bombing was as definitive an event in their view of America as for Americans the Tiananmen Square crackdown was definitive in shaping views of China.²³ The United States was understood to have wanted to teach China a lesson. In Chinese eyes, the bombing was aimed at humbling Beijing and at reminding the world of China’s far inferior power position vis-à-vis the United States. It was also interpreted as signaling the leadership in Beijing that Washington might be willing to use similar tactics against China wherever human rights issues might require it—not just in Taiwan for example, but also perhaps in Tibet or Xinjiang.

The debate about whether the United States is China’s partner or enemy connects to China’s debate about the nature of the international system in the post-Cold War era. Chinese experts believe that a more multipolar order is emerging, as a result of the passing of the bipolar East-West confrontation and the inevitable rise of China, along with Japan and Germany, among others. Those experts see such increased multipolarity as desirable, given the increased prominence it suggests for China. For the first half of the 1990s, many Chinese believed that America’s place in this order would by definition be one of relative decline. In the second half of the 1990s, this view grew clouded by

²² Sha, “U.S. Missile Defence Plans,” p. 3.

²³ The author was in China in the ten-day period immediately following the bombing and heard this view frequently expressed by policy analysts, academic specialists, students, and the proverbial man in the street.

dramatic sustained economic growth in the United States, economic difficulty in China, and Washington's assertiveness in the Middle East and Eastern Europe.

NATO's war in Kosovo, capped by the embassy bombing, unleashed a dramatic new debate in China about its interests in the emerging international order. According to one Chinese analyst, four issues have dominated this debate.²⁴ Did NATO's war against a sovereign country signal a new pattern of American interventionism in the years ahead in the service of a global strategy aimed at imposing hegemony on the whole world? Are peace and development still the main streams of world affairs today, or have they been replaced by power politics and hegemonism? Has China's security environment been seriously undermined in recent years? What policy should China adopt toward the United States?

In the scholarly community, there appears to be some caution about not drawing alarmist or premature conclusions from the Kosovo war. The analyst cited above noted that many scholars do not share the most pessimistic assessments of either Washington's intentions or the dangers on the global scene. In his words,

"China should be vigilant about future developments, especially about so-called humanitarian intervention. But we should not make a conclusion from the war in Kosovo that the United States would do the same whenever and wherever such a humanitarian issue occurs....peace and development are still the main stream of the time....Some people think that China's security environment basically remains the same as before the war in Kosovo....the principle to deal with the United States should be: using two hands to cope with the two hands of the United States—to promote cooperation with the United States through necessary struggle."²⁵

This scholarly debate was set in motion by the Chinese leadership in the wake of Kosovo. A couple of months later they sought to close off that debate with the pronouncement that, despite rising concerns about power politics and hegemonism, the main trends are still toward peace and development. But if further private reports are accurate, the policy debate apparently has not ended. Many individuals state privately that the leadership is fighting a rearguard action in defense of the core tenets of Deng Xiaoping foreign policy—that the absence of the prospect of major war permits China to construct partnerships with all of its neighbors so that it may develop and reform and

²⁴ Tao Wenzhao, "A Foreign Policy Debate in China After the Tragic Bombing of the Chinese Embassy in Belgrade," a discussion paper prepared for a conference on China and the United States: Long-Term Visions of Regional Security, cosponsored by the Asia Pacific Center for Security Studies and Pacific Forum CSIS, April 19, 2000. Tao is deputy director of the Institute of American Studies at the Chinese Academy of Social Sciences, Beijing.

²⁵ Ibid.

relegate military modernization to the bottom of the list of four modernizations. Official documents have begun to reflect the argument that the current moment in world affairs is defined by competing trends, one toward peace and development and the other toward hegemonism and power politics. Since then there have been many signs that the leadership has been unable to completely close off the debate about which trend prevails, the impact on China's security, and how to respond.

One American observer of China's national security debate argues further that China's way of thinking about the current era is deeply informed by its understanding of its own past, and particularly that era of Chinese history when it had broken into many pieces, with a prevalence of war among them.²⁶ Michael Pillsbury argues that the so-called Warring States era is used as a model for understanding the dynamics of the more multipolar international order now emerging. This era purportedly teaches the Chinese that powers in such a system inevitably compete in a zero-sum game and that the chief issue in the functioning of the system is how it handles the rise and fall of individual powers. It also teaches them that victory goes to those who are wise enough to see through their rivals' conspiracies and patient enough to engage in combat only when the circumstances are favorable.

Where does BMD fit into this picture? It fuels the perception that Washington is bent on denying China its rightful place in the sun as a rising great power. In Chinese eyes, BMD confirms fears of encirclement and containment, especially if pursued jointly with theater systems in Japan, South Korea, and Taiwan. It confirms the notion of a master plan enjoying broad bipartisan support in the United States. It confirms the expectation that within that plan is a conspiracy aimed at the strategic misdirection of China, such as that perpetrated on the Soviets with the threat of Star Wars, baiting China into actions that will in turn justify further U.S. efforts to counter China's rise.²⁷ It confirms for Beijing that the United States is locked into a zero-sum game with the rest of the world for power and influence.

Shen Dingli offers a revealing assessment of the perceived impact of BMD on China's security environment and the world situation more generally:

“NMD will destabilize the world order and harm the international relations....The U.S. NMD build-up will be harmful to U.S.-Russia relations. It presses Russia to be

²⁶ Michael Pillsbury, *China Debates the Future Security Environment* (Washington, D.C.: National Defense University Press, 2000), pp. 314-315.

²⁷ A cynic might argue that China's own proliferation of missile technology reflects its own secret plan to misdirect an increasingly powerful America from the task of containing a rising China.

hesitant in continuing strategic nuclear disarmament and may force Moscow to strengthen its offensive capability. By revising or even abandoning the ABM Treaty, the United States will seek absolute security regardless of its negative effect on the security of other countries....When the United States improves its own security at a time of ballistic missile proliferation, it should mind not to undermine the national security of others. Some in the United States have been indifferent of the negative security impact the revision of ABM would bring upon other states....If the United States insists on hurting the national interests of Russia and medium nuclear weapon states, it is hard to see how it will be possible to gather international support for nonproliferation on other fronts.”²⁸

Many Chinese experts saw the Clinton administration’s decision to move from the original NMD notion of 20 interceptors to a posture of 100 or perhaps 200 interceptors as confirmation of their suspicion that the system is pointed above all at China. In Ambassador Sha’s words, the North Korean missile threat is “an almost absurd pretext.”²⁹ A *China Daily* article argued that “the envisaged NMD cannot stop an all-out Russian nuclear attack...Therefore Beijing can only view the U.S. NMD as being designed to most effectively neutralize China’s strategic deterrent...Even interceptors deployed in one single site are enough to knock out all Chinese CSS-4s.”³⁰ To again cite Shen Dingli:

“it is untenable that the U.S. would spend more than ten billion dollars on a system which has only ‘rogue’ states in mind....Only Russia and China currently have the capability to hit the United States with nuclear warheads on intercontinental ballistic missiles....The envisaged NMD cannot stop an all-out Russian nuclear attack....Given the reported level of China’s full-range ICBM force (CSS-4), the NMD plans requiring ABM revision would (if successfully implemented as advertised) compromise China’s strategic capability in two respects. Geographically, it will protect the whole United States from being attacked. Numerically, even interceptors deployed on a single site may be enough to knock out all Chinese CSS-4s. Hence China’s national security interest is greatly endangered.”³¹

In a footnote, the author calculates that “assuming China has 20 CSS-4s, the 100 interceptors deployed on a single ABM site will be more than enough to hit all of them under a 1 in 4 interception ratio.” Clearly a base force of 20 interceptors would not have had a similarly decisive impact on China’s force.

²⁸ Shen, “Ballistic Missile Defence and China’s National Security.”

²⁹ Ibid., p. 3.

³⁰ Shao Zongwei, “US Nuke Action Concerns China,” *China Daily*, April 14, 2000.

³¹ Shen, “Ballistic Missile Defence and China’s National Security.”

To cite Shen further:

“The strongest country in the world...makes a virtue of nuclear reduction and then uses that to justify its missile defence. The irony is that even as the US nuclear arsenal shrinks, its military budget keeps increasing. This is because it wants to build a more capable armed force which can intervene worldwide as well as to build a missile-defence—both national and worldwide—to ensure that it can interfere without any fear of retribution. This obviously provides security to the US—but it is at the cost of other countries, which isn’t desirable. The US, like any other country, is entitled to security. But its interfering nature makes it difficult to allow the US the absolute security it seeks. The more secure the US is, the more insecure the rest of the world feels...When the US threatens the security of other countries, then there is a need to challenge the US security system which has missile defence as a crucial component.”³²

Having received various assurances from the Clinton administration that NMD was not ‘pointed at China,’ Ambassador Sha’s views only slightly softened: “They have assured us it is not directed at China. For that we are grateful, we are happy. But China cannot base its security on assurances only...We cannot sit on our hands, watching our interests compromised, security interests compromised. Impossible.”³³ After similar statements by the Bush administration, Sha stuck to the same line.

Americans tend to dismiss this Chinese way of thinking. After all, Americans have not embraced and certainly do not believe that the United States is pursuing a strategy of encirclement, containment, and humiliation of China. Very few Americans believe in the capacity of the U.S. government to develop a master plan of any kind, especially one for hegemony, and to keep it secret. Accordingly, Americans tend to explain complaints about encirclement as little more than the self-serving hyperbole of an ideological and ossified regime struggling to find domestic legitimacy in nationalism now that its Marxist-Leninist base is gone. What many Americans fail to appreciate is the depth of suspicion that exists in China about the U.S. world role and the purposes of the international order that it claims to lead and defend. That suspicion is born of a certain reading of Chinese and twentieth century history. Chinese experts and leaders have looked for confirmation of their beliefs, expectations, and fears in American behavior since the end of the Cold War, and as in any body of experience, a selective reading will offer some measure of confirmation to whatever view one holds. In some sense, BMD

³² Shen Dingli, “India’s Intention Suspect; Is New Delhi Blind to the US Policy of Interference?” *Outlook* (Delhi), May 11, 2001.

³³ As quoted in John Leicester, “Official: US missile shield could force China to deploy more warheads,” *Associated Press*, May 11, 2000.

helps to settle a debate in China about America's intentions in its so-called unipolar moment. More specifically, it confirms an understanding born of America's repeated use of force over the last decade and Washington's apparent disregard of Beijing's interests on various matters, including nuclear stability. American BMD experts must also come to terms with the fact that there are in the foreign policy community voices calling for policies that confirm China's worst fears of encirclement, containment, and confrontation.

The Leadership Factor

How to deal with U.S. BMD is a question of increasing salience in Beijing at a particularly difficult moment for China's leadership and the Communist Party. Basic questions about how to proceed with reform and how to protect China's interests on the world stage are under intense debate in China today, raising profound questions about the legitimacy of the one-party system and indeed the governability of China. Moreover, these questions are caught up in the coming leadership transition—in October 2002 the Chinese Communist Party meets for its next Party Congress, at which time there will be a dramatic turnover in party leadership ranks, including all of the top leaders. This brings to the fore questions of reputation for the passing generation and questions about what types of strategies will be serve China in the coming generation.

There is an important additional factor related to the legitimacy of the Chinese Communist Party in the eyes of the Chinese people. Western analysts, and many of their Chinese counterparts, appear to converge on the following interpretations of recent developments:

- Marxism-Leninism has been completely discredited.
- Economic reform brings with it questions of political reform.
- The Communist Party's grip on power cannot go on forever.
- Russia burns brightly in the Chinese mind as a powerful example of how *not* to manage the escape from communism.

What no one can know is the extent to which this has weakened the leadership's ability to control events or where or how a crisis might emerge that calls into question its continued central role in Chinese political life. The BMD issue appears to be emerging as another important public test of the Party's ability to shape international developments in ways that suit China's interests over both Taiwan, and more generally.

Among analysts of China's economy it is commonly argued that while China has made some difficult choices in pursuing reform, still harder choices lie ahead—how to root out corruption in a system built on political favoritism, how to cut deeply into the state enterprise system aimed at providing full employment, how to reform governance of the banking system. Already, however, growth is faltering. To American eyes, the crackdown on Falun Gong signals the increasing desperation of the regime. Increasingly, moreover, the Party leadership must deal with a military that feels it has waited long enough for the long-delayed investments in the fourth modernization. Moreover, the public outpouring of outrage at the Belgrade embassy bombing reflected also a significant degree of anger at the PRC leadership, on the view that for too long it has left China too weak and in too subservient a place on the world stage.

In recent years, there have also been setbacks to the regime's foreign policy agenda. China made a major effort to prevent revisions to the guidelines governing U.S.-Japanese military cooperation; this failed. It took a very tough line on U.S. theater missile defenses in East Asia; its line was so tough as to reinforce regional fears of a rising China threat. It took a tough line on Indo-Pakistani nuclear developments after the nuclear tests; now it finds itself facing the prospect of a build-up of long-range nuclear delivery systems there. It cut a deal with Russia on no-first-use, only to see Russia re-embrace nuclear weapons and first use in its national security strategy. It issued strong threats prior to the presidential election in Taiwan, only to see its least favored candidate elected to office. It bet on improvements in the relationship with the United States that neither side has been able to deliver.

Given these domestic and foreign policy challenges, it would hardly be surprising if the leadership did not feel besieged. Indeed, President Zhang Zemin is largely on the defensive politically, as he responds to the view that he has made too many concessions to the United States, and as he tries to appease the various camps in the Communist Party with an eye toward the 2002 Party Congress. He is attacked in part because of the perception that concessions to Washington have not generated enough of the results that Beijing desired. It appears, moreover, that the president's style is not to lead decisively but to broker agreements among the multiple powerful constituencies in Beijing. Apparently, the government lacks both the internal authority and self-confidence to make difficult decisions and compel governmental initiative. The challenges of effective governance in Beijing is undoubtedly magnified by the growing role of bureaucratic politics and the growing influence of issue-specific coalitions that cut across traditional political lines.

How does BMD intersect with these factors? It gives new influence to the harder line elements in the policy process, especially those in the People's Liberation Army and the defense industries who believe that the time has arrived for an increase in military spending. It increases the leadership's difficulty in closing off the debate on the core tenets of Deng Xiaoping's foreign policy. Reportedly it means that a growing chorus of voices is participating in the domestic debate about the role of nuclear weapons in China's national security strategy, voices without a stake in traditional positions affiliated with a posture of restraint and a doctrine of no-first-use. A leadership troubled by these various challenges may well find it helpful to attempt to paper over internal differences and to look strong on defense by spending more on the nuclear force, not least because spending some money there is undoubtedly less burdensome on the economy than spending on an across-the-board modernization of the conventional force.

Taiwan

The focal point of all of these concerns is necessarily Taiwan. Taiwan is the one place where most Chinese believe that U.S. military power might be exploited to Beijing's detriment, whether through an act of coercion that would be a humiliating loss of face for Beijing or an actual defeat of Chinese military action, which would be humiliating in its own way. (Some Chinese also worry about the possibility that the United States might pursue Kosovo-like wars in Tibet or elsewhere in China as part of its human rights campaign.) The desire to gain as much leverage as possible is certainly what fuels the dramatic build-up of short-range missiles across the Taiwan strait. A Taiwan conflict offers the one scenario on the global scene where the possibility of nuclear confrontation among the major powers is not far-fetched, and where the PRC can convince itself that Washington's refusal to embrace no-first-use may lead to first use by a United States desperate to turn the tide of a losing battle.

Taiwan is the place where Chinese concerns about American hegemonism are most manifest. If Washington is bent on intervening to support its values on a worldwide basis, then it might be willing to do so in support of a formal declaration of independence by Taiwan. Moreover, Chinese analysts can point to many statements by prominent American politicians making a promise of just this kind. This evokes larger concerns about Chinese sovereignty, concerns with deep historical roots. As President Jiang Zemin

has argued, “No Chinese leader would survive if he were seen to have lost Taiwan during his watch.”³⁴

Taiwan is also emerging as the test of the current PRC leadership’s ability to secure its interests. Mao Tse-tung is often remembered for having said that China can wait a hundred years to resolve the Taiwan issue. The current leadership appears to be under rising pressure to deal with the sovereignty issues presently on the national agenda. That pressure results in part from the return of Hong Kong and Macau to China. It results also in part from the perception that power politics and hegemonism may be the emerging themes; if so, the time to act on Taiwan is sooner rather than later, before long-term trends in power politics deprive China of whatever present leverage or advantages it may have.

For many experts in China, the prospect of ballistic missile defenses being introduced into the Taiwan issue is deeply unsettling.³⁵ Theater missile defenses are not as troubling to Beijing operationally as politically. Operationally, Beijing appears fairly confident of its ability to overwhelm any defenses that Taipei may deploy if, as alleged, it is well on the way to a build-up aimed at 600-800 short-range missiles across the strait from Taiwan in 2005. Politically, Beijing is concerned that such defenses will reinforce the movement toward formal independence by Taipei, by signaling both a diminution of Beijing’s ability to use missile threats to coerce Taipei and a deepening integration of the United States into Taiwan’s defense. BMD protection of the United States is understood in China as likely to reduce Beijing’s ability to gain what it seeks in time of crisis—reticence in Washington to come to Taiwan’s defense, a willingness not to escalate if the tide of war goes against Taipei, strategic retreat from the defense of Taiwan if Beijing resorts to nuclear threats against the United States. As one Chinese analyst has argued, “the United States could become incautious in risking nuclear exchanges with China in a crisis.”³⁶ It is hardly surprising that the PRC finds especially troubling the prospect of layered defense promising protection not just of Taiwan but also U.S. forces in the strait, U.S. bases in the region, U.S. allies, as well as the U.S. homeland, all of which Beijing would like to be able to hold hostage in time of war over Taiwan. Accordingly, it sees

³⁴ Comments were made to Singapore’s Senior Minister Lee Kuan Yew and reported in *Calendar and Chronicle, Council on Foreign Relations*, December 2000.

³⁵ “China Warns US to Keep Taiwan Out of Any Missile Defence,” *Agence France Presse*, January 18, 2001. See also Monte Bullard, “Undiscussed Linkages: Implications of Taiwan Straits Security Activity on Global Arms Control and Nonproliferation,” discussion paper, Asian security conference, Center of East Asian and Pacific Affairs, University of Illinois at Urbana-Champaign, October 6-7, 2000.

³⁶ Li Bin, “The Effects of NMD on Chinese Strategy.”

layered defense as part of a seamless web aimed at denying Beijing its ability to influence any events outside its territory.

If BMD consolidates the view that a conflict with Washington is inevitable and that as soon as systems begin to reach the field, Washington's advantages in such a conflict will only continue to grow, then the argument may prevail that the time to act is now. At the very least, Beijing wants to talk a tough line on ballistic missile defense at this particular time in order to try to bluff Taipei and Washington into cutting a deal based on the "One China" principle that prevents Taipei under its new leadership from formally moving to independence, a move that China has repeatedly stated would compel it to seek a military solution.

BMD and China's Future

Surveying these four factors, it should be clear that decisions in the United States about how to proceed with ballistic missile defense come at a very important moment in China's military, economic, and political development. Many of the most important premises that have shaped China's minimum deterrence posture are now open to reevaluation. For decades China has believed that it could be relatively restrained in its development of its nuclear option and relatively leisurely about dealing with the Taiwan issue. Today, the core planning assumptions and doctrine guiding Chinese nuclear policy appear to be open to debate, a debate that the leadership has had a difficult time controlling. And the sense that patience will be its own reward on Taiwan appears to be giving way to a new sense that time is not on Beijing's side.

The ongoing modernization of its strategic force brings with it the ability to construct a future force of substantially more robust operational characteristics—whether to restore the status quo ante, or to go further. But the calculation of China's potential reactions to the BMD issue cannot be reduced to an assessment of offense/defense force-on-force interactions. As argued above, Washington's BMD choices touch on multiple Chinese interests, and the perceptions that define them. The operational consequences may ultimately be less important to China than the political and strategic ones. Washington's decisions may help to resolve debates in China on both the United States and the nature of China's interests in the emerging international system on terms that Americans would not prefer. They may lead to behaviors in China's defense and foreign policies well beyond those that might be anticipated in the posturing of its strategic force to restore the status quo ante.

Alternative U.S. Paths and China's Possible Reactions

How these factors coalesce to determine China's reactions depends fundamentally on the nature of the choices made in Washington. This section reviews four basic alternatives for U.S. policy and their likely repercussions in China:

1. Within the context of modest revisions to the ABM Treaty agreed with Russia, deployment of a "thin" defense focused on small regional powers with limited ballistic missile arsenals.
2. Withdrawal from the ABM Treaty and pursuit of a "thin" defense.
3. Withdrawal from the ABM Treaty and pursuit of a "thick" defense aimed at negating the deterrents of all but Russia.
4. Broad revision of the ABM Treaty and pursuit of a "thick" defense.

(1) Limited Revision, Limited Defense

The key question here is the extent to which BMD drives the Chinese to a force posture different—both quantitatively and qualitatively—from what they might have pursued in the absence of BMD. Under this scenario, China would seem likely to pursue a combination of measures, including an increase in the number of intercontinental delivery systems and an increased reliance on both multiple warhead delivery techniques and on other technologies to counter and penetrate defenses. It might also adopt a wait-and-see attitude on the performance of system technologies still in development in order to gauge the likelihood of some small number of warheads leaking through the defense. As newer long-range systems come on line, such as the DF-41 missile slated for deployment a decade or more hence, China may be able to move to alternative basing modes that enable missiles to reach targets in the United States without crossing through the zone guarded by the site in Alaska.

But, given the growing complexity of China's nuclear planning environment as described above, it is also possible that China might go beyond steps to restore the status quo ante and build a more robust force. It may be driven to do so by the belief that the United States will not stop at a limited defense. Especially if a second U.S. interceptor site is constructed that covers the East Coast, China would lose attack azimuths not blocked by the Alaska site. It may also be driven to a larger force if it comes to believe that effectively overwhelming U.S. BMD requires something more substantial than simply an initial large salvo-type attack.

In the context of a slightly modified ABM Treaty, it is necessary also to consider the possibility that the United States, perhaps in partnership with Russia, might opt for

regionally-based boost-phase intercept capabilities to defeat the missile launches of North Korea (and possibly other states). Such a possibility would go a long way toward alleviating Chinese operational concerns about the impact of defense on its deterrent. Indeed, Beijing might welcome the possibility of cooperation with Washington on the deployment of such systems. This might seem especially attractive if such a joint program were part of a larger effort involving cooperation with Russia aimed at boost-phase intercept of missile emanating from the Persian Gulf region. But despite rising interest in such boost-phase capabilities, so far at least they have been written off as not possible, given the political relations operating among China, Russia, and the United States and not technically feasible in the timeframe deemed necessary to meet the emerging threat.

In speculating about this scenario it is necessary also to consider the impact on China's strategic planning of the Russian concession to the United States that would make it possible for Washington to move forward with a defense that is ABM compliant. To Beijing, this will feel like a sell-out. Beijing has lobbied long and hard in Moscow to 'firm up the Russian spine' (as one Chinese expert put it) so that it does not cave to Washington's preferences. In the joint communiqués and UN resolutions, it believes it has gained a firm Russian commitment to the preservation of an unrevised ABM Treaty. If Moscow relents to pressure from Washington, Beijing is likely to find itself disappointed in its long-hoped-for partnership with Moscow in countering unipolarity and hegemonism. Relenting would also be read as confirmation of Washington's ability to bully even the most important and powerful countries in the world to do its bidding. Such a political interpretation of events seems likely only to fuel perceptions that China must seek more in its strategic modernization program than simply a restoration of the status quo ante.

(2) ABM Withdrawal, Thin Defense

This scenario would present the Chinese with all of the operational concerns noted above, leading to steps to address them. The salient variations in this scenario relate to the political impact on Beijing of withdrawal. It would certainly reinforce the view in Beijing of a Washington that has taken a decidedly unilateralist bent and that is willing to puts its national security interests narrowly defined ahead of its interests in a stable international system, and ahead of the national interests of the other major powers. It would also reinforce expectations in Beijing of enhanced strategic partnership with Moscow as a counter to Washington's influence, and Moscow's refusal to compromise

would be seen as a foreign policy success for Beijing. This might lead to further joint efforts in the military domain to counter the U.S. BMD architecture and to develop their own defenses.³⁷

(3) ABM Withdrawal, Thick Defense

The key issue here is the extent to which ABM withdrawal brings with it reductions on the U.S. nuclear arsenal, as proposed by President Bush. That proposal is certainly consistent with the view of those who have supported ABM withdrawal in part as a path to a “defense protected build down” that leads to far deeper reductions in the nuclear arsenals of the United States and Russia. Of course, others see ABM withdrawal as an escape from arms control more generally and make no case that stronger defenses should lead to less robust retaliatory force.

Let us consider first the scenario of ABM withdrawal without the prospect of deep offensive reductions. As already argued, some Chinese officials perceive “a well calculated strategy....to reinforce U.S. nuclear superiority”³⁸ and argue that Washington may not reduce as deeply as Moscow if the reductions are carried out unilaterally. The Chinese worry also about the possibility that neither arms control nor fiscal constraints will keep pressures on Moscow to shrink its nuclear arsenal. They are concerned about a Russian nuclear force that is unconstrained by START. They are also concerned—indeed, have expressed occasional alarm—about Russian threats to walk away from the Intermediate-range Nuclear Forces (INF) treaty if Washington withdraws from ABM. A Russian push to make quantitative and qualitative improvements to its theater nuclear forces would have a direct impact on Chinese national security.

In this scenario, it seems likely that China would push for the larger and more robust force structures within its reach—a larger number of delivery systems with advanced warhead and countermeasure technologies with enough deliverable warheads to clearly overwhelm U.S. defenses. What else might seem necessary to China?

³⁷ Such bilateral cooperation has either increased or grown more visible—or perhaps both. In May 2000 the two held consultations on these matters. “Russian and Chinese Experts Discuss Bilateral Cooperation in ABM Field,” Interfax, May 19, 2000. See also “China-Russia Pact Condemns U.S. Missile Shield Plan,” *Reuters*, July 18, 2001.

³⁸ Sha Zukang, “U.S. Missile Defence Plans.” Sha defines this strategy as encompassing Russia’s nuclear forces, preventing nuclear acquisition by other states, freezing the programs of the small and medium weapon states through the CTBT and FMCT, and “immunizing itself from external threats through NMD.” pps. 3-4.

China seems likely in this scenario to seek the means to attack and defeat the so-called eyes and brains of the defensive system, by moving to capabilities to conduct anti-satellite (ASAT) attack operations as well as information operations aimed at disrupting system functions. Accordingly, Chinese officials promise a “new arms race in outer space” if the United States withdraws from the ABM treaty.³⁹ Such strategies may well form part of the larger concept of “unrestrained war” that has come into discussion in China in recent years.⁴⁰

China seems likely to more explicitly target U.S. allies in the region. Such a strategy would be informed by the belief that by doing so, Beijing drives a wedge in this relationship and shows the price to be paid by heeding Washington’s, rather than Beijing’s, interests.

China would also exploit the grievances created in Moscow by U.S. withdrawal to try to deepen strategic cooperation between the two countries. Presumably such cooperation would bring new forms of military and political cooperation between the two. They have spoken increasingly frequently in recent years about the possible necessity of bringing into being an anti-U.S. global coalition. To date, the rhetoric has exceeded the reality. In a world in which both Moscow and Beijing feel deeply aggrieved by further unilateralism by Washington, it is conceivable that the reality may become more troublesome for the United States as one or both countries move to increase the operational effectiveness of the WMD programs and missile delivery systems of states in various regions. A formal alliance seems to remain out of the question, given the bitter end of the previous one and suspicions on both sides about the long-term ambitions of the other, as well as mutual interests in promoting economic interaction with the West. But more cooperation in the foreign and defense policy realms cannot be ruled out and could be damaging to many U.S. interests.

China would also be likely to greatly curtail its cooperation in the field of nonproliferation and arms control. As Ambassador Sha has argued:

“The NMD program...is designed to gain unilateral strategic superiority by building US security on the insecurity of others. This will undoubtedly undercut the basis for its cooperation with relevant countries. How can you expect progress in [the] arms

³⁹ See for example an interview with Sha Zukang in *Defense News*, February 1, 1999.

⁴⁰ Qiao Liang and Wang Xiangsui, *Unrestricted Warfare* (Beijing: PLA Literature and Arts Publishing House, 1999).

control field while you yourself are developing NMD at full speed? It's just wishful thinking.”⁴¹

What type of thinking lies behind this strong statement? As Sha argues further:

“the NMD program will most definitely be challenged by other countries and is bound to adversely affect the realization of other objectives within the United States’ well-calculated strategy. As the saying goes, ‘you can’t have your cake and eat it’....China, *inter alia*, may be forced to review the arms control and non-proliferation policies it has adopted since the end of the Cold War in light of new developments in the international situation....Over the decade since the end of the Cold War the international community has achieved remarkable progress in stemming the proliferation of WMD and their means of delivery. The basic reason for such progress lies in the relative stability of the global and regional security environments, as well as the willingness of the countries concerned to resolve problems through dialogue instead of confrontation. If the United States is genuinely concerned, as it claims, about the threat to its security caused by the proliferation of WMD and their means of delivery, the right thing to do would be to abandon its hegemonic mentality and behaviour, respect the legitimate security interests of other countries, strengthen international cooperation and dialogue, and shore up—and where possible build on—the international arms control and non-proliferation regime. The development and deployment of NMD and TMD systems may be able to psychologically and temporarily satisfy some people’s anxiety for absolute security, but it will do little to reduce the threat of WMD and their means of delivery. Furthermore, by disrupting the global strategic balance and stability it will destroy the basis for any progress in the field of arms control and non-proliferation, and in the end adversely affect the security interests of all countries, including the United States.”⁴²

How might this manifest itself? Beijing could cease to cooperate to promote regional restraint in South Asia, the Middle East, and even North Korea, leaving Washington to try to manage these problems in the absence of Chinese support. Alternatively, it could take a more obstructionist role, frustrating U.S. efforts at the United Nations Security Council and trying to construct international political coalitions against U.S. initiatives. It could adopt a more critical attitude toward the long-term functioning of the Nuclear Non-Proliferation Treaty and opt to play a far more negative role in the 2005 review conference. Worse yet, it could return to its old ways as an exporter of sensitive technologies associated with the production of nuclear, biological,

⁴¹ From introductory remarks by Ambassador Sha to *The Second US-China Conference on Arms Control, Disarmament, and Nonproliferation*, sponsored by the Center for Nonproliferation Studies, Monterey Institute of International Studies, May 1999.

⁴² Sha Zukang, “US Missile Defence Plans,” pp. 4-6. Similar remarks were offered by He Yafei, minister-counselor at the Embassy of the People’s Republic of China to the United States, in a presentation to the Carnegie International Non-Proliferation Conference, March 16, 2000.

and chemical weapons and their missile delivery means (not that its new ways are entirely in accord with its political commitments). The United States must also reckon with the possibility that China might opt to export to the so-called rogue states the technologies and expertise necessary to counter and penetrate the ballistic missile defenses being constructed by the United States.

American observers tend to dismiss harsh Chinese pronouncements in this regard as little more than empty threats, on the argument that WMD proliferation is no more in China's interests than America's. To be sure, there is an element to official rhetoric aimed at ringing alarm bells in Washington, driven in part by the belief that only by ringing such bells does one get Washington's attention. But it is important to recognize that China's commitment to nonproliferation and arms control is essentially a creature of the post-Cold War era, with as yet shallow roots in the Chinese political system. Many Chinese experts adhere to the more traditional view that proliferation serves Chinese interests because it disperses power in the international system, which is both more just in the grand scheme of things and also helpful to the effort to curb U.S. hegemonism. If China is indeed concerned about proliferation but also seeks to proliferate as a response to BMD, it may limit its technical assistance to the technologies useful for defeating missile defenses as opposed to technologies of the offense. Perhaps it would not go particularly far in this direction, for fear of generating a more robust U.S. missile defense in response to proliferator acquisition of penetration aids. But Chinese policymakers might also calculate that aiding proliferators with early-generation penetration aids would help keep the U.S. focused on other countries without significantly worsening China's own security.

Lastly, as argued above, decision-makers in China could conceivably conclude that the time is now to seek a military solution to the Taiwan issue, before the United States gains the strategic hegemony it supposedly seeks and gains what China fears will be the nuclear offensive posture, invulnerable defensive posture, and overwhelming conventional military capabilities to dictate militarily to any country anywhere and any time.

To what extent might these dire possibilities be mitigated by withdrawal from the ABM treaty but in the context of a set of activities aimed at deep reductions in the nuclear arsenals of both the United States and Russia?

Such a move would certainly alleviate Chinese concerns about an end to nuclear restraint by both Russia and the United States. It would also attenuate arguments that BMD is conceived in the service of offensive and defensive dominance by America.

But such a move would not alleviate concerns about the survivability and effectiveness of China's nuclear forces vis-à-vis a robust, 'thick' defense. It seems likely that in this scenario China would opt to pursue some of the military solutions to the problems posed by U.S. defenses, but not resort to some of the more far-reaching political responses itemized above. Continued cooperation on arms control would seem to be in China's interests in this scenario, though it also seems likely that China would continue to perceive a significant need to counter American global influence.

A further variant to this scenario derives from the possibility that Russia and the United States will not posture their offensive forces equally, and that the cumulative effect of various developments will leave the United States in a situation with lower numbers of deployed strategic warheads relative to where it is today, but with a decided numerical advantage over Russia. In this contingency, there would likely be some debate in China about whether its interests would not be well served by securing status as the second nuclear power, replacing Russia in the world's eyes as the second most important actor on the world scene. Such a choice seems inconsistent with the worldview now informing decision-making in Beijing, but cannot be ruled out if there are major readjustments in the U.S.-Russian bilateral balance.

(4) Broad ABM Revision Allowing Pursuit of Advanced Defenses

In this scenario, Washington persuades Moscow to agree to a more far-reaching revision to the ABM Treaty, permitting the United States to undertake advanced research and development activities aimed at operational capabilities from outer space and all-azimuth protection, perhaps under some fixed time-line for the future expiration of the treaty.

From Beijing's perspective, this would look very similar to U.S. withdrawal from the ABM treaty. The commitment to remain ABM-compliant for a limited, fixed period of time would likely be read only as advance notice of an eventual escape by Washington from the notion of a balance of power among the nuclear weapon states. To Beijing, such a scenario would look like Washington had brow-beat Moscow into an agreement of one-sided benefit, which would be read as yet another sign of Washington's strength and Russia's decline. By freeing the United States to go into outer space with core assets of its strategic defense, such an outcome would be perceived as further accentuating China's

inability to compete (except perhaps with ASATs). By freeing the United States to marry defensive systems to naval power projection forces, such an outcome would be perceived as sharply eroding Beijing's ability to influence events near its borders.

Accordingly, such a scenario seems likely to generate many of the responses identified in the discussion of scenario two above.

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